

IN THE NATIONAL COMPANY LAW TRIBUNAL
NEW DELHI BENCH
COURT-IV

I.A. 3457 ND 2025

IN

C.P. IB 284 (PB) OF 2021

IN THE MATTER OF:

VIA PROJECTS PRIVATE LIMITED

...Applicant

Versus

**MR. NARENDRA KUMAR SHARMA
RESOLUTION PROFESSIONAL
SPAZE TOWERS PVT. LTD.**

...Respondent

AND IN THE MATTER OF:
VIVEK KHANNA & ORS

...Financial Creditors

Versus

SPAZE TOWERS PVT. LTD.

...Corporate Debtor

Order Pronounced on: 05.10.2026

CORAM:

**SHRI MAHENDRA KHANDELWAL
HON'BLE MEMBER (JUDICIAL)**

**SHRI ATUL CHATURVEDI
HON'BLE MEMBER (TECHNICAL)**

PRESENT:

For the Applicant : Ms. Nattasha Garg, Mr. Thakur Ankit Singh, Mr. Rishu
Gautam, Advs.

For the RP : Mr. Karan Gandhi, Mr. Sikhar Tiwari, Mr. Pratham
Bansal, Ms. Riya Jain, Ms. Vidhika Kapoor, Advs.

For the AR : Mr. Vishal, Adv.

I.A 3457 ND 2025

IN

C.P. IB 284 (PB) OF 2021

Date of Order: 05.10.2026

Page 1 of 18

ORDER

PER: ATUL CHATURVEDI, MEMBER (TECHNICAL)

1. The present Application has been filed by the Applicant, VIA Projects Private Limited under Section 60(5) of the Insolvency and Bankruptcy Code, 2016 ("Code") read with Rule 11 of the National Company Law Tribunal Rules, 2016 ("NCLT Rules, 2016") seeking the following reliefs:

"A. Pass an order allowing the present application and direct the Resolution Professional/ Respondent to forthwith take all necessary and appropriate steps, including legal action under applicable provisions of the Insolvency and Bankruptcy Code, 2016, against the ex-management and other relevant third parties, for the purpose of securing and retrieving the complete financial records of the Corporate Debtor, including but not limited to the 'Tally' data, accounting software, audit reports, and other statutory books of account, for the entire period commencing from the inception of the Corporate Debtor's business activities being part of present CIRP until the date of commencement of the CIRP; and/or;

B. Pass an order allowing the present application and direct the Respondent to immediately commission a forensic audit from a credible and independent agency such as Grant Thornton or any other entity approved by the CoC; and/or;

C. Pass an order allowing the present application and restraining the Resolution Professional from considering or permitting any Resolution Plan from ineligible persons under Section 29A, including the ex-promoters and directors of the Corporate Debtor; and/or;

D. Pass such other or further orders as the Hon'ble Tribunal may deem just and necessary in the interest of justice and to uphold the sanctity of the insolvency process."

SUBMISSIONS OF THE APPLICANT:

- 2.** The Corporate Debtor was previously admitted into insolvency by the NCLT, New Delhi Bench, vide order dated 28.10.2021 in CP(IB) No. 889 of 2020, which proceedings were subsequently withdrawn upon settlement with the creditors. During the earlier CIRP, the ex-management informed the then Resolution Professional that the Corporate Debtor was undertaking 14 real estate projects. Even in the 2nd meeting of the Committee of Creditors held on 17.12.2024 in the present CIRP, the Respondent recorded that the Corporate Debtor had 14 projects. However, the ex-management has now disclosed only 13 projects, which disclosure has been accepted by the RP without investigation, verification or forensic scrutiny. The 11-acre commercial development known as “Spaze Delhi”, on which the Corporate Debtor had incurred approximately INR 192 crores, has been omitted. The project is now being marketed as “Candeo” by entities connected to the ex-management and was sold or transferred during the look-back period under the Code. The RP’s own records in the 2nd CoC meeting reflect income received from the sale of plots from the Spaze Delhi project. Despite this, in the 4th CoC meeting dated 26.02.2025, the RP revised the number of projects to 13 without explanation or due diligence. The exclusion of the Spaze Delhi project, despite substantial financial outlay, ongoing monetization and the RP’s recorded knowledge, amounts to a case of fraudulent siphoning by the ex-management, while the RP’s failure to initiate any investigation or avoidance application reflects gross negligence and abdication of fiduciary responsibilities.
- 3.** The Corporate Debtor and its former promoters are facing prosecution under the Environment Protection Act, 1986. Out of multiple cases, four matters have been concluded, while a prosecution relating to the project “Spaze Arrow” remains pending. There are also multiple FIRs and criminal complaints

pending against the former directors and associated group entities concerning cheating, criminal breach of trust, misappropriation of investors' funds and financial manipulation.

4. The ex-management has siphoned substantial sums from the accounts of the Corporate Debtor and, in parallel, established new entities and launched fresh real estate ventures during and around the CIRP period. Several such entities operate from the same premises as the Corporate Debtor, indicating continuity of operations, common control and potential related party status under Section 5(24) of the Code. M/s Aarize Realtech LLP and JHS Estate Private Limited are stated to be controlled by members of the ex-management and operate from premises developed by or associated with the Corporate Debtor. The use of the Corporate Debtor's project premises as registered offices of these entities, coupled with the involvement of the same individuals, gives rise to a strong presumption of asset and business diversion, which the RP is statutorily obligated to investigate. However, no steps have been taken to ascertain the nature of these transactions or determine whether these entities are related parties or vehicles for diversion of assets and business opportunities of the Corporate Debtor.
5. By a detailed and reasoned order dated 19.06.2024, the Department of Town and Country Planning, Haryana, blacklisted the former promoters of the Corporate Debtor and their affiliated entities and prohibited them from obtaining fresh licences for real estate development and further engagement in township or project development activities. During 25.04.2025 to 19.05.2025, DTCP also invoked 16 Bank Guarantees amounting cumulatively to INR 7,26,75,600/-. An ongoing inspection and investigation is also being carried out by the Ministry of Corporate Affairs under Section 206(5) of the Companies Act, 2013 into the affairs of Spaze Towers Pvt. Ltd. concerning

allegations of siphoning of funds, accounting irregularities and violations of statutory obligations. Writ Petition No. 9094 of 2021 concerning the same matter is pending before the Hon'ble Delhi High Court, wherein the ROC has stated that the investigation is ongoing and an audit is also to be conducted.

6. The Applicant has also approached the Hon'ble High Court seeking an investigation into the role of the Directors and Key Managerial Personnel of Spaze Towers Pvt. Ltd., namely Mr. Harpal Singh Chawla, Mr. Deepak Kumar, Mr. Bharat Kumar, Mr. Aman Sharma, Mr. Jaspal Singh Chawla and Mr. Vipin Sharma, in offences including cheating, forgery, misrepresentation and criminal breach of trust. A criminal complaint has also been filed before the Economic Offences Wing, with proceedings seeking registration of the FIR pending before the Learned District and Sessions Judge, New Delhi District, Patiala House Courts, New Delhi.
7. The RP is duty-bound to act with utmost diligence, transparency and fairness to protect the interests of creditors and ensure a time-bound and objective CIRP. However, the RP has shown repeated negligence, indifference and procedural failure, which has prejudiced the CIRP and favoured the persons responsible for the downfall of the Corporate Debtor. In the 2nd CoC meeting held on 17.12.2024, the CoC resolved that a forensic audit be conducted into the affairs of the Corporate Debtor covering the last five years prior to commencement of CIRP. The RP had also received quotations from forensic audit firms, including Grant Thornton and KPMG. Despite having the mandate and means, the RP failed to initiate the audit and did not provide any explanation to the CoC or seek directions from the Adjudicating Authority.
8. Regulation 35A of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 prescribes timelines for the RP to act on avoidance

transactions, requiring the RP to form an opinion within 75 days of the Insolvency Commencement Date, make a determination within 115 days and file an application before the Adjudicating Authority within 130 days. Despite expiry of these timelines and the alleged fraudulent conduct of the ex-management, no opinion, determination or application has been placed on record. Further, in the 4th CoC Meeting, the Respondent himself observed that the Corporate Debtor had been subjected to transactions covered under Sections 43, 45, 49, 50 and 66 of the Code and had formed an opinion to carry out a Forensic/Transaction Audit for five years prior to commencement of CIRP. Despite this acknowledgement, no further steps have been taken and no application under Sections 43, 45, 49, 50 or 66 has been filed.

9. The RP also failed to highlight that the financial records of the Corporate Debtor, including the “Tally” accounting data prior to 2016, were missing. Despite the gravity of the omission, no steps were taken to highlight the matter before the CoC in a meaningful manner or seek directions under Section 19(2) of the Code concerning non-cooperation by the erstwhile management. The absence of financial data, coupled with the RP’s failure to initiate forensic audit or avoidance proceedings, has seriously undermined the integrity of the CIRP. The RP has been receiving, verifying, accepting or rejecting claims despite the absence of the Tally data and CRM records ordinarily underlying the accounting of real estate companies, thereby placing the exercise of claim verification under a shadow.
10. The RP has had access to materials pointing towards avoidable and fraudulent transactions, including blacklisting orders of DTCP, prosecution records, pending criminal complaints and the ongoing MCA investigation. Yet, no application under Sections 43, 44, 45, 47 or 66 has been filed, despite his acknowledgement in the CoC meetings regarding the existence of such

transactions. Under Section 25(2)(j) of the Code, it is the statutory duty of the RP to file an application before the Adjudicating Authority for avoidance of such transactions. However, the RP has neither informed the CoC about these irregularities nor filed any application for appropriate relief. Instead, the same individuals responsible for the financial collapse of the Corporate Debtor have been permitted to re-enter the CIRP as prospective resolution applicants.

- 11.** The RP has allowed the ex-promoters and directors of the Corporate Debtor to submit a Resolution Plan and participate in the process despite their alleged disqualification under Section 29A of the Code. These individuals are facing criminal proceedings, blacklisting by DTCP and investigation by the MCA, while their role in the financial collapse of the Corporate Debtor is stated to be well documented. The RP has failed to verify their eligibility or bring the issue before the CoC. Throughout the CIRP, the RP has also failed to act transparently by not sharing forensic data, audit progress or important disclosures with the CoC. Important resolutions have not been acted upon and applications that ought to have been filed before the Adjudicating Authority were never brought.
- 12.** The Resolution Professional, having access to the available records, control over the affairs of the Corporate Debtor and the statutory obligation to act in the interest of stakeholders, was best placed to detect, investigate and report the alleged fraudulent conduct of the ex-management. However, despite evidence pointing towards financial misconduct, regulatory breaches and criminal proceedings involving the ex-promoters, the RP failed to initiate avoidance proceedings or report the irregularities to the CoC and the Adjudicating Authority, while allowing the same individuals to re-enter the resolution process. Such conduct reflects a failure to uphold the duty of

independence, vigilance and diligence expected from a Resolution Professional under the Code.

- 13.** The overall conduct of the RP reveals disregard for the statutory framework of the Code and the obligations placed upon him under the Regulations. The RP failed to take custody and control of critical financial data, including Tally records, in violation of Section 18; did not file an application under Section 19(2) despite knowledge of non-cooperation by the ex-management; failed in his duties under Section 25(1) to preserve and protect the assets of the Corporate Debtor; and failed under Section 25(2)(j) to file applications for avoidance transactions. Further, permitting the ex-promoters to participate in the resolution process despite their alleged disqualification under Section 29A and non-compliance with the timelines prescribed under Regulation 35A has materially prejudiced the rights of creditors and stakeholders and raises serious concerns regarding the fairness, transparency and legality of the CIRP.
- 14.** The RP, despite having specific knowledge of financial irregularities, siphoning of funds and fraudulent conduct by the ex-management, has failed to initiate action under Sections 43 to 50 and 66 of the Code or seek directions under Section 19(2) concerning non-cooperation and missing financial data. The RP has also failed to procure or take custody of the complete financial records, including Tally accounting data, and has not conducted any forensic or transaction audit despite a mandate from the CoC and evidence pointing towards avoidable and fraudulent transactions. Further, an Expression of Interest has allegedly been permitted from a consortium comprising former promoters and directors of the Corporate Debtor, who are stated to be facing criminal prosecution, blacklisting by DTCP and investigation by the MCA.

- 15.** The Applicant filed an Additional Affidavit on 06.08.2025, bringing subsequent developments on record, including circulation by the RP of the Transaction Audit Report dated 19.07.2025 along with the Notice for the 8th CoC Meeting on 31.07.2025. Though several transactions in favour of the ex-management and related parties have been flagged, the TAR has sought to justify the same instead of categorizing them as preferential and undervalued transactions. The TAR failed to question the suspicious termination of the “Spaze Delhi” Project after investment of Rs. 192.44 Crores, the booking of losses exceeding Rs. 99 Crores despite expenditure of approximately Rs. 196 Crores, the subsequent sale of 2 Acres to entities incorporated by the ex-management, and the loss of Rs. 97 Crores in Sector-114 despite M/s Candeo having 47% shareholding comprising family members of the ex-management. The TAR also failed to flag interest and miscellaneous expenses exceeding Rs. 96 Crores paid to M/s Candeo and the diversion of assets to related parties.
- 16.** The TAR failed to flag assured returns of Rs. 86 Lakhs paid to related parties/ex-management in the Delhi Spaze Project, including payments to Mr. Deepak Kumar, who received a refund of Rs. 18 Lakhs against payment of Rs. 15.63 Lakhs along with assured returns of Rs. 14.65 Lakhs. The TAR also failed to address the missing Tally data recorded in the 2nd CoC Meeting dated 17.12.2024; the absence of unit-wise/party-wise/allottee-wise sales records and how claims and allotments were being ascertained; the drastic reduction in inventory from Rs. 32,456.92 Lakhs in 2021 to Rs. 7,824.03 Lakhs in 2022; and the decline in reserves and surplus from Rs. 5,265.98 Lakhs in 2020 to negative Rs. 441.53 Lakhs in 2022.

SUBMISSIONS OF THE RESPONDENT NO.1:

- 17.** The prayers sought by the Applicant do not concern any personal rights of the Applicant which are effected or stated to have been effected in the CIRP of the Corporate Debtor.
- 18.** Under the scheme of the Code, the Resolution Professional is entrusted with the responsibility of conducting the CIRP in accordance with the Code and Regulations. The RP has no adjudicatory or discretionary powers in matters involving commercial decisions, which lie solely within the domain of the CoC. The role of the RP is limited to verifying and placing before the CoC all Resolution Plans received in accordance with Section 30(3) of the Code. The RP cannot on his own exclude or disqualify any Resolution Applicant unless such determination is supported by due process and the CoC's approval.
- 19.** In view of Section 240A of the Code, the ineligibility provisions contained in clauses (c) and (h) of Section 29A do not apply to MSMEs, and the Corporate Debtor is a registered MSME. Therefore, the RP could not have excluded the suspended management from submitting a resolution plan pursuant to the Form G. Mere submission of a Resolution Plan does not grant any entitlement over the assets of the Corporate Debtor and it is for the CoC to decide whether the plan is to be considered. Further, blacklisting by another forum does not automatically disqualify a promoter from submitting a resolution plan, as ineligibility is determined by the criteria under Section 29A.
- 20.** The RP convened the 6th CoC meeting on 19.05.2025, wherein Form G and the eligibility criteria were approved. Form G was approved in respect of the 13 projects of the Corporate Debtor. Two Resolution Plans were subsequently received on 11.08.2025, including one from the consortium of Mr. Harpal Singh Chawla, Mr. Vipin Sharma, Mr. Bharat Bhushan Kumar and Mr.

Deepak Kumar. No objection was raised by the Applicant or recorded in the CoC meeting against acceptance of the EOI from the said consortium.

- 21.** In relation to PUFEE transactions, the RP convened the 4th CoC meeting on 26.02.2025 and the CoC resolved to appoint M/s Kansal Singla & Associates to conduct the Forensic/Transaction Audit of the financial and management affairs of the Corporate Debtor for five years from 01.04.2019 to 21.10.2024. The final transaction audit report was received on 19.07.2025 and placed before the CoC in its 8th meeting held on 31.07.2025. In relation to the Candeco Project, the auditors concluded that no transactions attracted Sections 45, 49, 50 or 66 of the Code.
- 22.** In Item No. 9 of the 2nd CoC Meeting held on 17.12.2024, (wherein the erstwhile RP was taking care of the affairs) convened by the erstwhile Resolution Professional, it was clearly recorded that the accounting data of the Corporate Debtor is available from the year 2016 onwards; and earlier year data was lost due to technical issues. The said fact was transparently disclosed to the Committee of Creditors and forms part of the 2nd CoC minutes.
- 23.** The audit report further recorded payments of Rs.180 lakh to related parties in three projects, namely Spaze Delhi, Corporate Park and Tristaar, as against ₹13.77 crores paid to unrelated parties in the same projects, and clarified that no preferential payments were made to related parties. The RP also drew attention to the settled position that the RP has to act within the prescribed look-back period under Sections 43, 45 and 50 and cannot go further back unless fraudulent transactions are detected under Section 66.
- 24.** The RP states that, in compliance with Regulation 35A, necessary steps were taken to identify potential transactions under Sections 43, 45, 50 and 66 and, based on the audit, an opinion was formed for not taking further action

against the suspended board. The transaction audit report was also shared with the Regional Director, Northern Region, MCA, pursuant to its letter dated 11.07.2025. Filing of avoidance or fraudulent transaction applications is contingent upon the RP forming a definitive opinion based on the auditor's report and available material. Since no finding of fraud or preferential transaction was arrived at, no such application was filed; however, if the findings at any later stage warrant action, necessary steps shall be taken as per law. The Applicant did not raise any objection to the forensic report or the discussions in the CoC meetings.

25. The Applicant has selectively disclosed the proceedings before the Hon'ble Delhi High Court in W.P. (C) No. 9094/2021, where proceedings concerning the affairs of the Corporate Debtor are already pending and the transaction audit report has been submitted. The same proceedings involve prayers for forensic audit, financial inspection and investigation into the affairs of the Corporate Debtor and its directors. The MCA and ROC have already filed affidavits and the matter is sub judice. Therefore, the issues relating to forensic audit and investigation are already subject to adjudication before the Hon'ble High Court, and entertaining the same reliefs before this Tribunal would result in duplication of proceedings, conflicting findings and multiplicity of litigation.

26. The Tally data of the Corporate Debtor is presently not available; however, the same does not impede the conduct of a proper audit as the statutory books and records maintained under the Companies Act, 2013 are available and form a sufficient basis for examination of financial transactions. The RP has already exercised due diligence and caused an audit to be conducted in accordance with the Code. No material irregularity, fraud or preferential transaction has been unearthed beyond what has been reported to the CoC

and the Adjudicating Authority. A further forensic audit at this stage would amount to unwarranted duplication and impede the timely completion of the CIRP.

27. The pendency of criminal proceedings or FIRs against the erstwhile management or promoters cannot impede or debar the consideration or submission of a resolution plan. The CIRP is independent of criminal or penal proceedings against individuals and is aimed at revival of the Corporate Debtor as a going concern. The liability of the Corporate Debtor is distinct and separate from that of its erstwhile promoters, directors or officers, and the eligibility of a Resolution Applicant is to be determined strictly in accordance with Section 29A. Reliance is placed on *ArcelorMittal India Pvt. Ltd. v. Satish Kumar Gupta & Ors.*, *Swiss Ribbons Pvt. Ltd. v. Union of India* and *RBL Bank Ltd. v. MBL Infrastructures Ltd.* to contend that mere pendency of FIRs or criminal complaints does not render a Resolution Applicant ineligible unless the statutory criteria under Section 29A are attracted.

28. The RP has acted strictly in accordance with the Code and Regulations, secured the relevant records, shared reports with the competent authorities and regularly updated the CoC regarding steps taken under Regulation 35A and other statutory compliances. The present Application is stated to be misconceived and premature and an attempt to interfere with the independent functioning of the CoC and the RP. The RP cannot be compelled to file an application unless the material facts and evidence support a prima facie finding of fraudulent or avoidable transactions, and the Applicant has no locus standi to dictate the course of action in respect of transaction audits or investigations. No fraudulent intent or negligence can be attributed to the RP merely because he has exercised professional prudence in waiting for the completion of official audits and government investigations.

SUBMISSIONS OF AUTHORIZED REPRESENTATIVE:

- 29.** Regarding the financial records, the Authorized Representative Class of Creditors (Real Estate-Shop & Home Buyers) referred to the discussions held during the Second CoC meeting item no. 9, wherein, the Authorized Representative Class of Creditors (Real Estate-Shop & Home Buyers) had inquired with the ex-management about the availability of data prior to 2016. The ex-management responded that the financial data for the earlier years was lost due to a technical issue.
- 30.** Regarding forensic audit, the Authorized Representative of Creditors (Real Estate Shop & Home Buyers), referred to the detail discussions held during the Fourth CoC meeting in agenda item no. 10. wherein, the resolution for appointment of auditors was approved. The AR also referred to the discussions held during the Eighth CoC meeting in agenda item no. 7 wherein the AR raised some observations regarding transactions in Candeco Project, the payment of assured Returns by the suspended management, reporting the same in the Audit Report and the final summary of the Forensic/Transaction Audit.
- 31.** Despite the presence of Authorised Representative, the Application filed by individual Financial Creditor - Allottee as member of class of creditors. The Authorized Representative has discharged his duties diligently, acted in good faith, and represented the collective interests of the class of creditors, (Real Estate-Shop & Home Buyers), in all CoC deliberations and proceedings before this Tribunal.

ANALYSIS AND FINDINGS:

- 32.** We have considered the submissions of the Applicant, the Resolution Professional and the Authorized Representative, and perused the material placed on record.

- 33.** The present Application primarily seeks directions to the Resolution Professional to procure the complete financial records of the Corporate Debtor, including the Tally data, conduct a fresh forensic audit, initiate appropriate proceedings against the erstwhile management and restrain consideration of a Resolution Plan submitted by persons allegedly ineligible under Section 29A of the Code.
- 34.** Insofar as the allegation regarding the missing Tally data is concerned, the minutes of the 2nd CoC Meeting dated 17.12.2024 record that the availability of financial data prior to 2016 was specifically discussed and the erstwhile management stated that such data had been lost due to technical issues. Therefore, the contention that the issue was neither disclosed nor brought to the notice of the CoC is not borne out from the record. The absence of a particular set of accounting data, by itself, cannot lead to a finding of fraud, siphoning or diversion of assets. The Applicant has also not demonstrated any specific statutory non-compliance requiring issuance of a direction under Section 19(2) of the Code.
- 35.** As regards the prayer for a forensic audit, the record clearly establishes that the CoC had already considered the issue. In its 4th meeting dated 26.02.2025, the CoC resolved to appoint M/s Kansal Singla & Associates to conduct the Forensic/Transaction Audit covering the financial and management affairs of the Corporate Debtor for the period from 01.04.2019 to 21.10.2024. The final report dated 19.07.2025 was thereafter placed before the CoC in its 8th meeting dated 31.07.2025. Thus, the contention that no forensic/transaction audit was undertaken is factually incorrect.
- 36.** We further note that this Adjudicating Authority, while dealing with connected applications in the same CIRP vide order dated 05.08.2026, has already considered a similar prayer seeking a fresh forensic audit for a longer period

and observed that such an issue is not one which is required to be considered for the purpose of approval of the Resolution Plan. It was further observed that the Code and Regulations confer upon the Resolution Professional and the CoC the power as well as duty to take a view in the matter and, if required, call for a forensic audit. In the present case, such an audit has already been commissioned and completed. Therefore, no further direction for commissioning another forensic audit is warranted at this stage.

37. The Applicant has sought to question the conclusions of the Transaction Audit Report by referring to various transactions concerning the Spaze Delhi/Candeo Project, assured returns, related-party transactions, changes in inventory and reserves and surplus. As regards the allegation that the Resolution Professional failed to initiate proceedings under Sections 43, 45, 49, 50 and 66 of the Code, the Resolution Professional has stated that the transaction audit was undertaken pursuant to the decision of the CoC and that, upon consideration of the audit findings, no further action was found warranted against the suspended management. The mere existence of transactions which, according to the Applicant, appear suspicious does not automatically establish that such transactions fall within the statutory ingredients of the aforesaid provisions. The filing of avoidance or fraudulent transaction applications has to be based upon the material available and the satisfaction of the statutory requirements. This Adjudicating Authority cannot direct filing of such proceedings merely on the basis of allegations or suspicion.

38. The Applicant has also sought a direction restraining consideration of a Resolution Plan submitted by the ex-promoters/directors or persons allegedly connected with them on the ground of Section 29A. The Resolution Plan is required to be considered by this Adjudicating Authority in accordance with

the Code, and the question of eligibility under Section 29A is required to be independently examined at the appropriate stage. This position has also been expressly recorded by this Adjudicating Authority in its order dated 05.08.2026 in the connected Intervention Petition, wherein it was observed that the issue of Section 29A eligibility would be independently considered while considering the application for approval of the Resolution Plan. Therefore, no separate direction restraining the Resolution Professional from considering a Resolution Plan is warranted at this stage.

- 39.** It is also pertinent to note that the Authorized Representative has confirmed that the issues relating to the missing financial data and the forensic audit were discussed in the CoC meetings and that observations were raised in relation to the Candeo Project and the transactions referred to in the audit report. Thus, the CoC was not unaware of the matters raised by the Applicant as substantiated from the record. The material before us demonstrates that the concerns were considered within the CIRP framework and that a transaction audit was in fact undertaken.
- 40.** We are also guided by the settled position that the Adjudicating Authority is not expected to substitute its own view for the statutory and commercial decisions taken by the RP and the CoC in matters falling within their respective domains. In the present case, the CoC had already taken a decision to commission the transaction audit and the audit report was subsequently placed before it. No material has been shown to us which would justify directing a second audit or compelling the RP to initiate proceedings which, upon consideration of the available material, have not been found warranted. The principles laid down by the Hon'ble Supreme Court in *Jaypee Kensington* also are against permitting an individual stakeholder to seek directions which

would effectively interfere with the CIRP and the consideration of the Resolution Plan.

41.In view of the foregoing discussion, we find that the Applicant has failed to establish any statutory violation or circumstance warranting the reliefs sought. The allegations regarding the Spaze Delhi/Candeo Project, related-party transactions, assured returns, missing financial data and other alleged irregularities have either been considered in the CIRP process or do not, on the material placed before us, warrant the directions sought in the present Application. The prayer for a fresh forensic audit cannot be granted when a transaction audit has already been conducted pursuant to the decision of the CoC, and the prayer concerning Section 29A can be considered at the stage of approval of the Resolution Plan.

42.Accordingly, the present Application bearing **I.A. 3457/ND/2025 is dismissed.**

No order as to costs.

-SD/-

**ATUL CHATURVEDI
MEMBER (TECHNICAL)**

-SD/-

**MAHENDRA KHANDELWAL
MEMBER (JUDICIAL)**

IN THE NATIONAL COMPANY LAW TRIBUNAL
NEW DELHI BENCH
COURT-IV

I.A. 3253 ND 2025

IN

C.P. IB 284 (PB) OF 2021

IN THE MATTER OF:

VIBHA NARULA GUPTA. & ORS.

...Applicants

Versus

**MR. NARENDRA KUMAR SHARMA
RESOLUTION PROFESSIONAL
SPAZE TOWERS PVT. LTD.**

...Respondent

AND IN THE MATTER OF:

VIVEK KHANNA & ORS

...Financial Creditors

Versus

SPAZE TOWERS PVT. LTD.

...Corporate Debtor

Order Pronounced on: 05.10.2026

CORAM:

**SHRI MAHENDRA KHANDELWAL
HON'BLE MEMBER (JUDICIAL)**

**SHRI ATUL CHATURVEDI
HON'BLE MEMBER (TECHNICAL)**

PRESENT:

For the Applicant : Mr. Arpit Dwivedi, Mr. Anikesh Brahma, Advs.

For the RP : Mr. Karan Gandhi, Mr. Sikhar Tiwari, Mr. Pratham
Bansal, Ms. Riya Jain, Ms. Vidhika Kapoor, Advs.

I.A 3253 ND 2025

IN

C.P. IB 284 (PB) OF 2021

Date of Order: 05.10.2026

Page 1 of 31

For the AR : Mr. Vishal, Adv.

ORDER

PER: ATUL CHATURVEDI, MEMBER (TECHNICAL)

1. The present Application has been filed by the Applicants under Section 60(5) of the Insolvency and Bankruptcy Code, 2016 ("Code") read with Rule 11 of the National Company Law Tribunal Rules, 2016 ("NCLT Rules, 2016") seeking the following reliefs:

a) Allow the present Application filed by the Applicants and pass necessary and appropriate directions to the Resolution Professional to handover possession of the Apartments/ Units allotted to the Applicants complete in all respects and with all amenities particularly the covered car parking space as agreed upon as per the Builder Buyer Agreements in a time bound manner and execute Conveyance Deeds in favour of the Applicants within a period of four (4) weeks from the date of order after adjustment of the amounts payable by the Applicants;

OR

In the alternative, pass directions to the RP to handover possession of the apartments on an as is where is basis after adjustment of the amount demanded from the applicants with the amount required for completion

I.A 3253 ND 2025

IN

C.P. IB 284 (PB) OF 2021

Date of Order: 05.10.2026

Page 2 of 31

of the Units as recorded in page 3 of the minutes of the 6th COC meeting on 19th May, 2025 with covered car parking spaces as promised;

b) Set aside all illegal and unjust claims/ charges as claimed and demanded by the Respondent from the Applicants;

c) Restrain the Respondent/ Resolution Professional from claiming, charging and raising any claim on the Applicants as a condition to handover of possession;

d) Pass any other order(s), direction(s), or relief(s) as this Hon'ble Tribunal may deem fit and proper in the facts and circumstances of the present case and in the interest of justice.

SUBMISSIONS OF THE APPLICANT:

- 2.** The present Application has been filed by eleven (11) allottees/homebuyers seeking directions to the Resolution Professional (“RP”) to hand over possession of their respective Units/Apartments in the project “Privvy The Address” in a time-bound manner and execute the corresponding Conveyance Deeds. The Applicants also seek waiver/set-off of alleged illegal and unjust demands, including additional charges and interest. Five Applicants have already been awarded Delayed Possession Compensation (“DPC”) by the Haryana Real Estate Regulatory Authority, Gurugram (“HREERA”), and seek adjustment of such amounts against the demands raised by the Corporate

Debtor. Similar DPC is sought for the remaining six Applicants whose HRERA proceedings were pending.

3. The Corporate Debtor developed the residential project “Privvy The Address” on land situated at Hayatpur, Sector 93, Gurugram, pursuant to the requisite collaboration arrangements and approvals. The Applicants booked their respective Units on the basis of representations that the project would be completed and possession handed over with the promised facilities. Builder Buyer Agreements (“BBAs”) were subsequently executed, providing for possession within 36/42 months from the respective dates of execution. However, possession was not handed over within the stipulated period.
4. The Corporate Debtor offered possession in November 2017 despite not having obtained the Occupation Certificate, which was received only on 20.07.2018. At the time of such offer, the Corporate Debtor raised additional demands on the ground that the super area of the apartments had increased. The Applicants disputed these demands and, along with other homebuyers through Privvy 93 Owners Association, approached HRERA in April/May 2018 challenging, inter alia, the alleged increase in super area, excess EDC/IDC, external electrification charges, club and preferential location charges, repair and maintenance charges, and other deficiencies in the project.

5. HRERA appointed an Investigating Commissioner, whose report was challenged by the Applicants on the ground that the relevant areas were not physically measured. HRERA ultimately dismissed the complaints on 25.07.2023, following which the Applicants preferred an appeal before the Haryana Real Estate Appellate Tribunal ("HREAT"). The appeal was pending when this Tribunal admitted the Section 7 proceedings against the Corporate Debtor on 21.10.2024 and initiated CIRP.
6. Following commencement of CIRP, the Applicants submitted their claims to the IRP, which were acknowledged. They contend that their genuine claims have not been appropriately admitted by the RP despite submission of the requisite information. The challenge to the CIRP order before the NCLAT was dismissed on 17.12.2024, while the appeal before the Hon'ble Supreme Court remains pending.
7. After taking control of the Corporate Debtor, the RP was approached by the Applicants for possession, with their willingness to pay the legitimate balance consideration under the BBAs. Instead, the RP demanded the outstanding amounts reflected in the Corporate Debtor's records, including charges which the Applicants contend are illegal and which are already the subject matter of the pending HREAT proceedings. According to the Applicants, compelling

payment of such disputed amounts would render their pending appeal substantially infructuous.

8. The Applicants rely upon Regulations 4E and 30C of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016, inserted by notification dated 03.02.2025. Regulation 4E permits the RP, after approval of the CoC by not less than 66% voting share, to hand over possession and facilitate registration where the allottee has requested possession and performed his part under the agreement. Regulation 30C requires the RP to report to the CoC and the Adjudicating Authority regarding the status of development rights and permissions of a real estate project.
9. The Applicants state that they are ready and willing to take possession and pay the legitimate balance sale consideration, subject to waiver/set-off of the disputed demands. By email dated 02.05.2025, they requested the RP to place the issue before the CoC, but the RP allegedly neither responded nor placed the matter before the CoC. The Applicants contend that the RP's conduct in insisting upon the disputed amounts is contrary to the requirement of fair and transparent conduct and indicates undue influence of the suspended management.
10. The Applicants seek determination/adjustment of the following disputed demands:

- a. Increase in Super Area: The Corporate Debtor claimed an increase of approximately 5.35%–8.55% in super area and demanded additional payment. The Applicants dispute the increase, asserting that there was no corresponding increase in the actual apartment areas and that no satisfactory explanation or measurement was provided.
- b. EDC/IDC: Based on an RTI response, the Applicants contend that the EDC and IDC payable worked out to approximately Rs.247.63 per sq. ft. and Rs.15.96 per sq. ft., respectively, whereas the Corporate Debtor charged Rs.316.37 per sq. ft. towards EDC and Rs.32.31 per sq. ft. towards IDC. They therefore allege excess recovery of Rs.85.09 per sq. ft. and seek refund with interest at 18%.
- c. External Electrification Charges: Against the statutory demand of approximately Rs.1.21 crore, the Applicants contend that the charge should have been approximately Rs.12.40 per sq. ft., whereas Rs.96.51 per sq. ft. was charged on the increased super area. They seek reduction of the demand by Rs.84.11 per sq. ft. with effect from 21.08.2018.
- d. Delayed Possession Compensation: Five Applicants have obtained DPC orders from HRERA, while the proceedings of the remaining six Applicants were pending when CIRP commenced. The Applicants seek implementation of the DPC already awarded and corresponding DPC for the remaining

Applicants. They further contend that DPC should continue beyond the dates considered by HRERA since proper possession has allegedly still not been offered due to the disputed demands.

- e.** Preferential Location Charges: PLC was charged at Rs.100 per sq. ft. for certain apartments on the basis of their alleged green-facing location. The Applicants contend that some of the relevant green areas were subsequently converted into roads/open parking and therefore seek reversal and refund of such charges with interest.
- f.** Club Development Charges: The Applicants dispute club development charges of approximately Rs.32,000–Rs.48,000 per Applicant, contending that the BBA does not specify any amount and that the Corporate Debtor itself claims ownership of the club. Reversal with interest is sought.
- g.** Labour Cess: Labour cess demands ranging between Rs.16,000 and Rs.24,000 are disputed on the ground that labour cess is not an “additional tax” within the meaning of the BBA. The Applicants seek reversal of the amounts from 21.08.2018.
- h.** Interest: The Applicants dispute interest levied from 21.08.2018 on the disputed demands, contending that the underlying amounts were themselves not due or payable. They also state that the Corporate Debtor

had refused to accept even the full payment unless the Applicants withdrew their complaints.

11. The Applicants further challenge the RP's proposal to hand over the apartments in an unfinished condition. According to them, the BBAs contemplated delivery of completed apartments and substantial expenditure would be required to finish the Units. They contend that the RP had proposed adjustment of the completion cost before the CoC, but withdrew the proposal before voting on 24.05.2025. Any adjustment, if permitted, should therefore be calculated from the original date of offer of possession rather than the present date.
12. The Applicants rely upon Section 60(5) of the IBC, contending that, in view of the moratorium and pendency of CIRP, this Adjudicating Authority has jurisdiction to determine the claims and adjustments sought. Having already paid substantial amounts for the Units and remaining deprived of possession for several years, they seek immediate possession during the pendency of the Application, with payment of the balance amount after determination of the disputed charges by this Adjudicating Authority.

SUBMISSIONS OF THE RESPONDENT/RESOLUTION PROFESSIONAL:

13. Pursuant to the CIRP order dated 21.10.2024, a public announcement was issued on 24.10.2024 inviting claims from creditors, with 06.11.2024 being

the last date for submission of claims. The claims filed by the present Applicants were admitted by the Resolution Professional (“RP”).

14. The Application is liable to be dismissed as the issues raised have already been adjudicated by HRERA and the appeal preferred against the HRERA order was subsequently withdrawn.
15. The disputes raised by the Applicants relate to demands and actions of the Corporate Debtor prior to commencement of CIRP and do not arise from any independent act or omission of the RP. The RP has merely discharged his duties in accordance with the IBC and acted pursuant to the decisions of the CoC and directions of this Adjudicating Authority.
16. The Applicants had earlier challenged the disputed demands before HRERA through Complaint No. 279 of 2018. Another complaint, being Complaint No. 6059 of 2019, involving the same issues was subsequently heard along with the first complaint. HRERA had appointed an Investigating Commissioner, whose report formed the basis of the eventual decision. Both complaints were disposed of by HRERA by order dated 25.07.2023, finding no merit in the grievances raised.
17. Although the Applicants have asserted that their appeal against the HRERA order was pending before the Haryana Real Estate Appellate Tribunal, they did not disclose the details of the appeal in the present Application. According

to the RP, the appeal stood withdrawn, as reflected in the order dated 13.02.2025. The RP therefore contends that the same issues, having already been adjudicated by HRERA and the appeal having been withdrawn, cannot be reagitated in the present proceedings.

18. The demands in question are stated to be in accordance with the terms of the Builder Buyer Agreements and have already been accepted and paid by several other allottees. The RP contends that a number of allottees have cleared their outstanding dues either pursuant to the directions of HRERA or in terms of their respective Builder Buyer Agreements. Consequently, no fresh cause of action survives for reopening the same disputes.
19. The RP cannot be held liable for acts, transactions or demands arising from the conduct of the Corporate Debtor and its erstwhile management prior to commencement of CIRP. The RP's role is confined to management of the affairs of the Corporate Debtor during CIRP and he has no authority to adjudicate upon the legality of past actions or sit in appeal over decisions concerning the Corporate Debtor. The RP further relies upon the statutory protection available for acts performed in good faith in the discharge of his duties.
20. The Applicants have taken an inconsistent position by simultaneously disputing the legality of the outstanding demands and seeking adjustment of

DPC against those very dues, thereby acknowledging the existence of outstanding amounts. The RP contends that he cannot be compelled to hand over possession or execute Conveyance Deeds without recovery of the legitimate dues payable to the Corporate Debtor, as such recovery is necessary for protecting the interests of all creditors and is consistent with his statutory duties.

- 21.** The RP further contends that proceedings under the IBC are summary in nature and that this Adjudicating Authority does not exercise the jurisdiction of a civil court for conducting a detailed adjudication of disputes relating to the disputed charges. RERA already provides a specialised statutory mechanism for adjudication of disputes concerning the rights and obligations of allottees and promoters.
- 22.** The allegation that the RP failed to place the issue concerning unfinished units before the CoC is denied. The matter was placed before the 6th CoC meeting held on 19.05.2025, where a proposal was considered for execution of Conveyance Deeds in respect of unfinished units on an “as is where is” basis, subject to adjustment of the estimated cost of completion from the receivables at rates determined by the Project Division of the Corporate Debtor.

- 23.** However, following the CoC meeting, the Authorised Representative of the Financial Creditors in a class communicated, after discussions with the homebuyers, that the proposed adjustment could unfairly benefit certain allottees who had not paid their dues while prejudicing those who had already made payments. The Authorised Representative accordingly requested withdrawal of the resolution from the voting process. The RP thereafter revised the minutes and circulated them accordingly. The matter was subsequently clarified and recorded before the 8th CoC meeting held on 31.07.2025.
- 24.** The RP submits that he is a court-appointed officer who has acted in accordance with law and cannot be saddled with allegations relating to the pre-CIRP conduct of the Corporate Debtor. The Application is therefore stated to be misconceived and liable to be dismissed, with the Applicants being required to clear their legitimate outstanding dues before taking further steps for execution of the Conveyance Deeds in accordance with law.

SUBMISSIONS OF THE AUTHORIZED REPRESENTATIVE:

- 25.** The Authorised Representative (“AR”), Mr. Shaikh Nafis Anjum, was appointed as the Authorised Representative for the class of creditors comprising real estate/homebuyers under Section 21(6A)(b) of the IBC read with Regulation 16A of the CIRP Regulations, vide order dated 09.12.2024 passed in IA/5677/ND/2024.

- 26.** The issues raised in the present Application were placed before and deliberated upon by the Committee of Creditors (“CoC”), particularly in the 6th CoC meeting held on 19.05.2025. The CoC was informed that, in certain cases, allottees were holding Memoranda of Understanding/Provisional Allotment Letters and had the option of surrendering the same for execution of the Builder Buyer Agreement (“BBA”), subject to clearance of all outstanding dues. Since execution of a registered BBA was necessary for execution of the Conveyance Deed, the RP sought authorisation from the CoC to execute BBAs/Space Agreements/Buyer Agreements/Allotment Letters and permit transfer or assignment of units, subject to surrender of the MoU and payment of complete dues as reflected in the books of the Corporate Debtor.
- 27.** The aforesaid proposal was approved by the CoC with 99.11% voting share, pursuant to e-voting concluded on 27.05.2025. The RP was accordingly authorised to execute the necessary documents and authorise other officers of the Corporate Debtor for the said purpose.
- 28.** The RP had also apprised the CoC regarding the execution and registration of Conveyance Deeds. It was reported in the 7th CoC meeting that 378 Conveyance Deeds had been executed after commencement of CIRP, from 22.10.2024 to 16.06.2025, in addition to 3,730 Conveyance Deeds executed

prior to CIRP. Subsequently, in the 8th CoC meeting, it was informed that a total of 4,223 Conveyance Deeds had been executed, including 493 Conveyance Deeds executed after commencement of CIRP up to 25.07.2025.

- 29.** One of the Applicants wrote to the AR on 27.07.2025 requesting him to take up the Applicants' grievance with the RP and seek an explanation as to why their request had not been placed before the CoC. The AR, by email dated 29.07.2025, forwarded the concerns of the Applicants to the RP and requested that the matter be appropriately considered during the 8th CoC meeting.
- 30.** The communication forwarded by the AR recorded that the concerned allottees were willing to take possession of their respective Units, subject to adjustment or waiver of the demands alleged to be unjust, including excess EDC, delayed possession compensation and other disputed charges. They expressed willingness to pay any amount legitimately due after such adjustments and upon being offered possession with the promised amenities.
- 31.** The AR further points out that, despite the existence of an Authorised Representative for the class of financial creditors comprising homebuyers, the present Application has been filed by certain individual allottees. Reliance is placed on Regulation 16A(10)(j) of the CIRP Regulations regarding the duties and functions of the Authorised Representative in relation to the financial creditors forming a class.

ANALYSIS AND FINDINGS:

- 32.** We have heard the Learned Counsel for the parties and have perused the pleadings and documents placed on record.
- 33.** The present Application has been filed by 11 allottees/homebuyers in respect of their respective Units in the project “Privvy The Address”. The Applicants principally seek directions to the Resolution Professional for handing over possession of the Units and execution of the Conveyance Deeds. They have also sought adjustment/waiver of various amounts forming part of the demands raised in respect of their Units, including amounts towards increase in super area, EDC/IDC, external electrification charges, preferential location charges, club development charges, labour cess and interest. The Applicants have further sought adjustment of DPC awarded in their favour by HRERA and, in cases where DPC has not been awarded, seek corresponding relief in respect thereof. In the alternative, possession of the Units on an “as is where is” basis has been sought after adjustment of the estimated cost of completion.
- 34.** The case of the Applicants is that they are ready and willing to pay the amounts legitimately due under the Builder Buyer Agreements, but the possession is being withheld by the Resolution Professional on account of certain disputed demands which, according to the Applicants, are illegal or

excessive. It is their contention that such amounts ought to be adjudicated and adjusted before they are required to make payment for obtaining possession.

35. Per contra, the Resolution Professional has submitted that the claims of the Applicants have been duly received and admitted in the CIRP and that the demands in question relate to the period prior to commencement of CIRP. It is contended that the RP has neither raised the said demands nor created any liability against the Applicants and is merely seeking recovery of the outstanding dues reflected in the records of the Corporate Debtor. The RP has further submitted that the issues now sought to be raised by the Applicants had already been agitated before HRERA and were adjudicated upon by order dated 25.07.2023. It is also submitted that the appeal stated to have been preferred against the said order was subsequently withdrawn.

36. Having considered the submissions, we find that the principal relief sought by the Applicants requires this Adjudicating Authority to determine the legality and quantum of various charges raised by the Corporate Debtor under the respective Builder Buyer Agreements. The disputes regarding increase in super area, EDC/IDC, external electrification charges, PLC, club development charges, labour cess and interest are essentially disputes arising out of the contractual relationship between the parties. Determination of such issues

would necessarily require examination of the terms of the respective agreements, the basis on which the charges were levied and the factual circumstances relating thereto.

- 37.** The jurisdiction conferred upon the Adjudicating Authority under Section 60(5) of the Code cannot be understood to mean that every contractual dispute between the Corporate Debtor and an allottee can be adjudicated by this Authority merely because CIRP is pending against the Corporate Debtor. Section 60(5) is intended to enable this Adjudicating Authority to deal with questions of law or fact arising out of or in relation to the insolvency resolution process. It does not confer an unrestricted jurisdiction upon this Authority to adjudicate upon contractual disputes which properly fall within the jurisdiction of the competent civil or specialised statutory forum.
- 38.** It is also pertinent to note that the grievances forming the subject matter of the present Application substantially relate to acts and demands of the Corporate Debtor prior to commencement of CIRP. The present Resolution Professional cannot be called upon to adjudicate upon the legality of such pre-CIRP demands or to waive amounts merely because the Applicants dispute their liability. The RP is required to administer the affairs of the Corporate Debtor in accordance with the provisions of the Code and to preserve and realise its assets and receivables in accordance with law.

39. The Hon'ble Supreme Court in **Gujarat Urja Vikas Nigam Limited v. Mr. Amit Gupta & Ors. Civil Appeal No. 9241 of 2021** has made the following observation:

“67.Therefore, considering the text of Section 60(5)(c) and the interpretation of similar provisions in other insolvency related statutes, NCLT has jurisdiction to adjudicate disputes, which arise solely from or which relate to the insolvency of the Corporate Debtor. However, in doing do, we issue a note of caution to the NCLT and NCLAT to ensure that they do not usurp the legitimate jurisdiction of other courts, tribunals and fora when the dispute is one which does not arise solely from or relate to the insolvency of the Corporate Debtor. The nexus with the insolvency of the Corporate Debtor must exist.”

40. The Hon'ble NCLAT in **SICOM Ltd. v. Kitply Industries Ltd., (2023) ibclaw.in 236 NCLAT**, which was also upheld by the has held the following:

*“On the point of jurisdiction of NCLT or NCLAT in respect of interpretation of agreement/contract which had already occurred prior to initiation of CIRP it has been held that neither NCLT nor NCLAT is having jurisdiction to adjudicate. In this context it would be profitable to reproduce paras 16, 24, 28 to 31 of judgement of Hon'ble Supreme Court reported in (2022) 2 SCC 583 **Tata Consultancy Services Ltd Vs. Vishal Ghisulal Jain** which are quoted herebelow:”*

“16. Based on the appeal, two issues have arisen for consideration before this Court:

16.1 Whether the NCLT can exercise its residuary jurisdiction under Section 60(5)(c) of the IBC to adjudicate upon the contractual dispute between the parties; and

16.2 Whether in the exercise of such a residuary jurisdiction, it can impose an ad-interim stay on the termination of the Facilities Agreement.

24. It was also urged on behalf of the appellant that the NCLT and NCLAT have re-written the agreement changing its nature from a determinable contract to a non-terminable contract overlooking the mandate of Section 1412 of the Specific Relief Act 1963. It is a settled position of law that IBC is a complete code and Section 238 overrides all other laws. The NCLT in its residuary jurisdiction is empowered to stay the termination of the agreement if it satisfies the criteria laid down by this Court in Gujarat Urja (supra). In any event, the intervention by the NCLT and NCLAT cannot be characterized as the re-writing of the contract between the parties. The NCLT and NCLAT are vested with the responsibility of preserving corporate debtor's survival and can intervene if an action by a third party can cut the legs out from under CIRP.

28. In Gujarat Urja (supra), the contract in question was terminated by a third party based on an ipso facto clause, i.e., the fact of insolvency itself constituted an event of default. It was in that context, this Court held that the contractual dispute between the parties arose in relation to the insolvency of the corporate debtor and it was amenable to the jurisdiction

of the NCLT under Section 60(5)(c). This Court observed that (SCC pp. 262-63, para 69)

"69....NCLT has jurisdiction to adjudicate disputes, which arise solely from or which relate to the insolvency of the corporate debtor... The nexus with the insolvency of the corporate debtor must 22 exist"

(emphasis supplied)

Thus, the residuary jurisdiction of the NCLT cannot be invoked if the termination of a contract is based on grounds unrelated to the insolvency of the Corporate Debtor.

29. It is evident that the appellant had time and again informed the Corporate Debtor that its services were deficient, and it was falling foul of its contractual obligations. There is nothing to indicate that the termination of the Facilities Agreement was motivated by the insolvency of the Corporate Debtor. The trajectory of events makes it clear that the alleged breaches noted in the termination notice dated 10 June 2019 were not a smokescreen to terminate the agreement because of the insolvency of the Corporate Debtor. Thus, we are of the view that the NCLT does not have any residuary jurisdiction to entertain the present contractual dispute which has arisen dehors the insolvency of the Corporate Debtor. In the absence of jurisdiction over the dispute, the NCLT could not have imposed an ad-interim stay on the termination notice. The NCLAT has incorrectly upheld the interim order of the NCLT.

30. While in the present case, the second issue formulated by this Court has no bearing, we would like to issue a note of caution to the NCLT and NCLAT regarding interference with a party's contractual right to terminate a contract. Even if the contractual dispute arises in relation to the insolvency, a party can be restrained from terminating the contract only if it is central to the success of the CIRP. Crucially, the termination of the contract should result in the corporate death of the Corporate Debtor. In Gujarat Urja (supra), this Court held thus: (SCC pp.309-10, paras 176-177)

“30. While in the present case, the second issue formulated by this Court has no bearing, we would like to issue a note of caution to the NCLT and NCLAT regarding interference with a party's contractual right to terminate a contract. Even if the contractual dispute arises in relation to the insolvency, a party can be restrained from terminating the contract only if it is central to the success of the CIRP. Crucially, the termination of the contract should result in the corporate death of the Corporate Debtor. In Gujarat Urja (supra), this Court held thus: (SCC pp.309-10, paras 176-177)

"176. Given that the terms used in Section 60(5)(c) are of wide import, as recognised in a consistent line of authority, we hold that NCLT was empowered to restrain the appellant from terminating PPA. However, our decision is premised upon a recognition of the centrality of PPA in the

present case to the success of CIRP, in the factual matrix of this case, since it is the sole contract for the sale of electricity which was entered into by the corporate debtor. In doing so, we reiterate that NCLT would have been empowered to set aside the termination of PPA in this case because the termination took place solely on the ground of insolvency. The jurisdiction of NCLT under Section 60(5)(c) of IBC cannot be invoked in matters where a termination may take place on grounds unrelated to the insolvency of the corporate debtor. Even more crucially, it cannot even be invoked in the event of a legitimate termination of a contract based on an ipso facto clause like Article 9.2.1(e) herein, if such termination will not have the effect of making certain the death of the corporate debtor. As such, in all future cases, NCLT would have to be wary of setting aside valid contractual terminations which would merely dilute the value of the corporate debtor, and not push it to its corporate death by virtue of it being the corporate debtor's sole contract (as was the case in this matter's unique factual matrix). 177. The terms of our intervention in the present case are limited. Judicial intervention should not create a fertile ground for the revival of the regime under Section 22 of SICA which provided for suspension of wide-ranging contracts. Section 22 of the SICA cannot be brought in through the back door. The basis of our intervention in this case arises from the fact that if we allow the termination of PPA which is the sole contract of the corporate debtor, governing the supply of

electricity which it generates, it will pull the rug out from under CIRP, making the corporate death of the corporate debtor a foregone conclusion."

(Emphasis supplied)

31. The narrow exception crafted by this Court in Gujarat Urja (supra) must be borne in mind by the NCLT and NCLAT even while examining prayers for interim relief. The order of the NCLT dated 18 December 2019 does not indicate that the NCLT has applied its mind to the centrality of the Facilities Agreement to the success of the CIRP and Corporate Debtor's survival as a going concern. The NCLT has merely relied upon the procedural infirmity on part of the appellant in the issuance of the termination notice, ie., it did not give thirty days' notice period to the Corporate Debtor to cure the deficiency in service. The NCLAT, in its impugned judgment, has averred that the decision of the NCLT preserves the 'going concern' status of the Corporate Debtor but there is no factual analysis on how the termination of the Facilities Agreement would put the survival of the Corporate Debtor in jeopardy."

Similarly this issue was considered by Hon'ble Supreme court in case reported in (2020) 13 SCC 308 Embassy Property Developments Pvt Ltd Vs Stte of Karnataka and Ors.

In view of law settled by Hon'ble Supreme Court as incorporated hereinabove we are of the opinion that by order impugned the Learned NCLT has exceeded its jurisdiction in directing the appellant to transfer the property in question in

favour of Corporate Debtor. The dispute whether agreement to sale which was entered in between the parties in the year 1998 was breached by the appellant or the respondent breached the agreement, may not be examined in a proceeding under the IBC. Such disputes are required to be examined by the court of competent jurisdiction. In view of admitted position that title of the property in respect of Igatpuri Unit still lies with the appellant, the Learned NCLT has committed error in allowing the application filed on behalf of the Respondent in directing for transferring the land in question and as such there is no option but to set aside the impugned order.”

- 41.** In the present case, the Applicants had already approached HRERA in respect of the very grievances which are sought to be reagitated before this Adjudicating Authority. The record indicates that the disputes relating, inter alia, to increase in super area, EDC/IDC, external electrification charges, PLC, club charges and other demands were considered in the proceedings before HRERA. HRERA, after consideration of the matter and the report of the Investigating Commissioner, disposed of the complaints by order dated 25.07.2023.
- 42.** Thus, the Applicants cannot seek, in proceedings under Section 60(5) of the Code, a fresh adjudication of issues which had already been raised before and considered by the specialised forum constituted for determination of disputes between promoters and allottees. The pendency or subsequent withdrawal of

an appeal against such order does not enlarge the jurisdiction of this Adjudicating Authority so as to enable it to sit in appeal over the findings rendered by HRERA.

- 43.** We therefore find that the prayer seeking a declaration that the various demands raised against the Applicants are illegal or excessive cannot be considered by the Adjudicating Authority in the present proceedings. The Applicants, if aggrieved by any contractual or regulatory determination, are required to avail the remedy before the forum competent to adjudicate such dispute. The insolvency proceedings cannot be utilised as a mechanism to reopen or circumvent such adjudication.
- 44.** As regards possession, it is not disputed that the Applicants have contractual obligations towards payment of the amounts due in respect of their respective Units. The mere fact that the Corporate Debtor has subsequently gone into CIRP does not, by itself, extinguish such payment obligations. The RP, while dealing with the affairs of the Corporate Debtor during CIRP, cannot be directed to hand over possession without insisting on payment by the Applicants.
- 45.** Accordingly, the Applicants would be required to clear the outstanding dues payable in respect of their respective Units, in accordance with the contractual terms and applicable law, if they seek possession and

consequential execution of the Conveyance Deeds. The disputed contractual charges cannot be directed to be waived or adjusted by this Adjudicating Authority in the absence of a determination by the competent forum.

- 46.** As regards the claim of Delayed Possession Compensation (“DPC”), the same stands on a different footing. In respect of those Applicants in whose favour HRERA has already passed an order awarding DPC, the entitlement to such amount has crystallised by virtue of the adjudication by the competent forum. Therefore, where such DPC has not already been accounted for or adjusted by the Resolution Professional, the amount so awarded is liable to be taken into account while determining the net amount payable by the concerned Applicant towards the outstanding dues of the Unit.
- 47.** Such adjustment would, in substance, amount to a set-off of the amount admittedly/legally due to the Applicant against the amount payable by the Applicant to the Corporate Debtor. The principle of set-off, as recognised by the Hon’ble Supreme Court in ***Bharti Airtel Ltd. & Anr. v. Vijay Kumar Iyer & Ors.***, cannot be applied indiscriminately during CIRP; however, the Court has recognised that contractual and equitable set-off may operate in appropriate circumstances, particularly where the mutual dealings arise from the same or connected transaction.

- 48.** In the present case, the DPC awarded to the concerned Applicants arises directly from the very same allotment and Builder Buyer Agreement under which the Applicants are liable to make payment of the outstanding dues for their respective Units. The two amounts therefore arise from the same underlying contractual relationship and constitute mutual dealings between the parties. Consequently, to the extent DPC has been finally awarded by HRERA and the same has not already been adjusted by the Resolution Professional, the said amount is to be adjusted/set off against the outstanding dues payable by the concerned Applicant.
- 49.** It is clarified that the adjustment shall be restricted strictly to the amount of DPC actually awarded by HRERA or any other competent forum. This Adjudicating Authority is not determining any fresh entitlement to DPC nor extending the period for which DPC is payable. The benefit of adjustment shall be available only in respect of an amount which has already crystallised pursuant to an order/decreed of a competent forum and which has not otherwise already been accounted for by the Resolution Professional.
- 50.** Insofar as the Applicants whose claim for DPC has not been finally adjudicated by a competent forum are concerned, no such adjustment can presently be granted. Their claim for DPC, if otherwise maintainable, may be pursued before the competent forum in accordance with law and, upon such

claim attaining finality, the consequential adjustment, if permissible in law, may be considered.

- 51.** We, however, find no merit in the prayer seeking adjustment or waiver of the other disputed charges merely on the basis of the Applicants' assertions. The disputes concerning increase in super area, EDC/IDC, external electrification charges, PLC, club development charges, labour cess and interest are essentially contractual/regulatory disputes which have already been considered by HRERA and cannot be re-adjudicated by this Adjudicating Authority in exercise of its jurisdiction under Section 60(5) of the Code. Unless any such demand has been set aside, reduced or otherwise modified by a competent forum, the same cannot be directed to be waived or adjusted by this Authority.
- 52.** Accordingly, the Applicants shall be required to clear the outstanding dues payable in respect of their respective Units if they intend to obtain possession and complete the necessary formalities for execution of the Conveyance Deeds. While computing such outstanding dues, however, the Resolution Professional shall adjust the DPC finally awarded in favour of an Applicant, to the extent the same has not already been adjusted or accounted for.
- 53.** In view of the foregoing discussion, we are of the considered view that the present Application seeks, in substance, adjudication of contractual disputes

and re-examination of demands which arose prior to commencement of CIRP and which have already been the subject matter of proceedings before HRERA. Such disputes cannot be adjudicated afresh by this Adjudicating Authority in exercise of jurisdiction under Section 60(5) of the Code.

54. Accordingly, the prayers seeking waiver, setting aside or adjustment of the various contractual charges, as well as the prayer restraining the Resolution Professional from raising or recovering such charges, cannot be acceded to. The Applicants shall be required to clear the outstanding dues payable in respect of their respective Units for obtaining possession and for completion of the necessary formalities for execution of the Conveyance Deeds. However, in respect of DPC, where a competent forum has already passed an order/decreed in favour of the concerned Applicant and the amount has not been adjusted by the RP, the same shall be dealt with in accordance with such order/decreed and applicable law.

55. In view of the above, the prayer for adjustment of DPC is allowed to the limited extent stated hereinabove. The remaining prayers seeking adjudication, waiver or adjustment of the disputed contractual charges and directions to the Resolution Professional to disregard such charges are rejected. The Applicants shall accordingly pay the balance outstanding dues after giving

effect to the permissible adjustment of the finally adjudicated DPC, if they intend to seek possession and execution of conveyance deeds.

56. Accordingly, the present Application is **disposed of** in the above terms.

57. It is, however, clarified that disposal of the present Application shall not preclude the Applicants from pursuing any remedy available to them before the competent forum in respect of any claim which has not attained final adjudication. No opinion is expressed on the merits of any such claim.

- SD/-

**ATUL CHATURVEDI
MEMBER (TECHNICAL)**

-SD/-

**MAHENDRA KHANDELWAL
MEMBER (JUDICIAL)**

IN THE NATIONAL COMPANY LAW TRIBUNAL
NEW DELHI BENCH
COURT-IV

I.A. 1637 ND 2026

IN

C.P. IB 284 (PB) OF 2021

IN THE MATTER OF:

DR. SUDIP SARAN

...Applicant

Versus

**MR. NARENDRA KUMAR SHARMA
RESOLUTION PROFESSIONAL
SPAZE TOWERS PVT. LTD.**

...Respondent No. 1

**MR. SHAIKH NAFIS ANJUM
Authorised Representative of Real Estate Allottees**

...Respondent No. 2

AND IN THE MATTER OF:

VIVEK KHANNA & ORS

...Financial Creditors

Versus

SPAZE TOWERS PVT. LTD.

...Corporate Debtor

Order Pronounced on: 05.10.2026

CORAM:

**SHRI MAHENDRA KHANDELWAL
HON'BLE MEMBER (JUDICIAL)**

**SHRI ATUL CHATURVEDI
HON'BLE MEMBER (TECHNICAL)**

PRESENT:

For the Applicant : Mr. Nakul Mohta, Adv, PCS Lovkesh Batra.

For the RP : Mr. Karan Gandhi, Mr. Sikhar Tiwari, Mr. Pratham
Bansal, Ms. Riya Jain, Ms. Vidhika Kapoor, Advs.

I.A 1637 ND 2026

IN

C.P. IB 284 (PB) OF 2021

Date of Order: 05.10.2026

Page 1 of 25

For the AR : Mr. Vishal, Adv.

ORDER

PER: ATUL CHATURVEDI, MEMBER (TECHNICAL)

1. The present Application has been filed by the Applicant under Section 60(5) of the Insolvency and Bankruptcy Code, 2016 ("Code") read with Rule 11 of the National Company Law Tribunal Rules, 2016 ("NCLT Rules, 2016") seeking the following reliefs:

"Final Reliefs:

iii. Declare that the actions undertaken during the CIRP, including the conduct of CoC meetings and consideration/approval of Resolution Plan(s) without due notice to, and participation of, the Applicant, are illegal, improper, and in contravention of the provisions of the Insolvency and Bankruptcy Code, 2016 and the CIRP Regulations framed thereunder:

iv. Pass an order for removal of Mr. Narender Sharma (IBBI Registration No. IBBI/IPA-002/IP-N00125/2017- as the Resolution 2019/10294). Respondent No. 1 Professional of the Corporate Debtor, and appoint another Insolvency Professional as Resolution Professional from the panel maintained by the Insolvency and Bankruptcy Board of India (IBBI);

v. Pass an order for removal of Mr. Shaikh Nafis Anjum, having IBBI Reg No. IBBI/IPA-003/IPA-ICAI-N-00211/2018-2019/12363, Respondent No. 2 as the Authorized Representative of the class of creditors, and appoint another Insolvency Professional as the Authorized Representative from the panel maintained by the Insolvency and Bankruptcy Board of India (IBBI); or in the alternative, direct the Committee of Creditors (CoC) to appoint a new Authorized Representative in accordance with the provisions of the Insolvency and Bankruptcy Code, 2016 and the regulations framed thereunder:

vi. Issue appropriate directions for referring the matter to the Disciplinary Committee of the Insolvency and Bankruptcy Board of India (IBBI) for initiation of disciplinary proceedings against Respondent No. I and Respondent No. 2 for their acts of omission and commission;

vii. Direct the Resolution Professional to issue a fresh Form G and invite fresh Resolution Plan(s) in a fair, transparent, and compliant manner, after duly notifying all eligible creditors, including the Applicant, and permitting their effective participation in the CIRP:

viii. Direct the Resolution Professional to undertake comprehensive transactional and/or forensic audit of the Corporate Debtor in accordance

with the provisions of the Insolvency and Bankruptcy Code, 2016 and the applicable regulations framed thereunder:

ix. Pass such other order as the Hon'ble Tribunal may be deem fit and proper in the facts and circumstances of the instant case”

SUBMISSIONS OF THE APPLICANT:

2. The Applicant had booked Service Apartment bearing Unit No. 1012A, admeasuring 641 sq. ft., in the Project namely “Spaze Apotel / Boulevard-II” of the Corporate Debtor for a total consideration of Rs.83,36,815/-. The Applicant had initially paid a booking amount of Rs.3,00,000/- and thereafter entered into a Builder Buyer’s Agreement (“BBA”) dated 15.04.2014. As per the BBA, possession of the Unit was to be handed over within 60 months, i.e. by April 2019.
3. The Applicant made payments from time to time and, despite the Corporate Debtor’s email dated 24.08.2020 assuring possession within 75 days from receipt of payment, possession was not handed over. The Applicant had paid a total sum of Rs.94,38,457/- by 17.09.2020, but possession remains undelivered.
4. The Corporate Debtor was admitted into CIRP on 21.10.2024. Pursuant to the Public Announcement dated 24.10.2024, the Applicant submitted his claim in Form CA dated 06.11.2024, seeking delivery of possession of the fully

constructed Unit and execution of the registered deed. The Applicant claimed Rs.94,38,457/- along with interest at 18% p.a., amounting to Rs.2,43,37,913/-.

5. The Applicant's claim was admitted only to the extent of Rs.92,14,110/- in the List of Creditors dated 24.12.2024, while Rs. 2,24,347/- forming part of the principal amount was kept under verification. Subsequently, the said amount was rejected in the List of Creditors dated 31.07.2025. The rejection, without affording a reasonable opportunity of being heard, is contrary to the principles of natural justice.
6. Even if interest is calculated at 8% p.a. in terms of Regulation 16A(7) of the CIRP Regulations, the Applicant's claim along with interest comes to Rs.1,60,60,438/-. The Respondent No.1/RP, however, failed to admit any interest, thereby adversely affecting the Applicant's status and voting share in the Committee of Creditors ("CoC"). The "financial debt" includes interest and, therefore, failure to include the applicable interest component has resulted in an incorrect assessment of his claim and voting share.
7. Regulation 13(1) of the CIRP Regulations mandates verification of claims within seven days. However, the Applicant's claim was kept under verification for more than six months, constituting substantial and material non-compliance with Regulation 13 of the CIRP Regulations.

8. The Applicant was deprived of notices, minutes and other material documents required to be circulated under the CIRP Regulations. The Respondent No.2/Authorised Representative (“AR”) failed to circulate the documents contemplated under Regulation 16A, thereby depriving the Applicant of the opportunity to participate in discussions, deliberate upon matters and exercise his voting rights during the CIRP, including in relation to the Resolution Plan.
9. Section 25A of the Code casts a duty upon the Authorised Representative to circulate the agenda and minutes of CoC meetings to the financial creditors represented by him. Regulation 16A(9) further requires circulation of the agenda and seeking preliminary views of creditors in a class, while Regulation 25(6) requires circulation of minutes and announcement of the voting window. However, Respondent No.2 failed to share any notice, agenda, minutes or relevant documents pertaining to the CoC meetings with the Applicant and consequently failed to seek his preliminary views.
10. The Respondent No.2 also failed to seek prior voting instructions from the Applicant in accordance with Section 25A(1), (3) and (4) of the Code, thereby affecting the Applicant’s right to vote.
11. Regulation 16A(10) casts various duties upon the Authorised Representative, including assisting creditors in understanding the discussions of the CoC, facilitating informed decision-making, assisting in evaluating resolution

plans, ensuring access to relevant information and documents, regularly updating creditors regarding the CIRP and making suggestions for modifications to resolution plans. The Respondent No.2 failed to discharge these duties and did not furnish necessary documents or provide updates regarding the CIRP.

- 12.** The Resolution Plans were never shared with the Applicant, despite the obligation under Regulation 16A(10)(e) and (h). The Applicant was also not provided crucial documents including notices and agendas of CoC meetings, supporting documents, Form G, RERP, Evaluation Matrix, Information Memorandum, lists of prospective Resolution Applicants, Resolution Plans, Section 29A due diligence reports, Section 30(2) compliance reports, Feasibility and Viability Reports and relevant NCLT/NCLAT applications or orders.
- 13.** The Applicant came to know from the order dated 27.02.2026 that an application, I.A. (Plan) No.68/ND/2025, had been filed by the Resolution Professional for approval of the Resolution Plan. No mechanism was made available to the Applicant to convey his views, objections or preferences in relation to the Resolution Plan(s), thereby depriving him of an opportunity to participate and deliberate upon the resolution process affecting his rights and financial interests.

- 14.** The conduct of Respondent No.1 is stated to be part of a pattern of lack of transparency and non-disclosure. The Applicant has relied upon the order dated 11.07.2024 of the Disciplinary Committee of IBBI whereby a penalty of Rs.2,00,000/- was imposed upon Respondent No.1 for certain non-compliances. The Applicant further submits that Respondent No.2 failed to regularly update him regarding the progress and material developments in the CIRP.
- 15.** The Applicant, having invested a substantial amount and fulfilled his obligations under the BBA, holds a legitimate stake in the CIRP. He has been kept entirely outside the decision-making process, including discussions and negotiations concerning the Resolution Plan(s), and the Resolution Plan has significant implications for his rights as an Allottee. Further, Respondent No.1 failed to provide electronic means of communication between the AR and the Applicant as contemplated under Regulation 16A(6).
- 16.** Respondent Nos.1 and 2 have, in collusion, kept the Applicant outside the discussions, considerations and decision-making process by withholding relevant information and have failed to discharge their duty of adequate representation of the interests of creditors in the class. The Applicant apprehends that similarly placed creditors/homebuyers may also have been excluded from the CIRP and voting process, which appears to have undermined the transparency, fairness and integrity of the CIRP.

- 17.** The Respondents have failed to facilitate effective participation by the Applicant and have violated the statutory duties imposed under the Code and the Code of Conduct for Insolvency Professionals, particularly the requirements of timeliness, absence of mala fide or negligence and proper information management. The Respondents have failed to provide access to relevant information, thereby restricting his participation in commercial decisions concerning value maximization.
- 18.** In view of the aforesaid facts and circumstances, the Applicant has lost faith and confidence in the Respondents and seeks their removal so that the CIRP may be conducted in a fair, transparent and impartial manner.

SUBMISSIONS OF THE RESPONDENT NO. 1/RESOLUTION PROFESSIONAL:

- 19.** Pursuant to the initiation of CIRP vide Order dated 21.10.2024 and the Public Announcement in Form-A dated 24.10.2024, the Applicant submitted his claim in Form CA dated 06.11.2024 for Rs.94,38,457/- plus interest @18% per annum. The IRP admitted the claim of Rs.92,14,110/- and the remaining amount of Rs.2,24,347/- was kept under verification.
- 20.** The erstwhile Resolution Professional kept the amount of Rs.2,24,347/- under verification and the same was finally not admitted. As per the books of the Corporate Debtor, only an amount of Rs.92,14,110/- was received by the Corporate Debtor and accordingly the amount of Rs.2,24,347/- was not

admitted by the Respondent. The Respondent can only collate and verify the claim as per the information available with him. The scope of power of the IRP/Resolution Professional is restricted to verification of claims as per the records of the Corporate Debtor, and he has no adjudicatory power in this relation.

- 21.** As per the Applicant's own case, the remaining amount appears to have been paid to some other entity but not the Corporate Debtor.
- 22.** Another grievance of the Applicant is that, being one of the members of the CoC, he was never provided with any document related to the entire CIRP. The Applicant has alleged that he has not received certain information/documents such as Request for Resolution Plan ("RFRP"), Evaluation Matrix, Information Memorandum and copy of Resolution Plans, Section 29A certificates etc.
- 23.** As per the records of the Corporate Debtor, the email address of the Applicant is saranhospital@hotmail.com. The said details, along with other communication details of all the financial creditors in class, were shared by the Answering Respondent with the Authorised Representative. Upon recent enquiry and as per the reply received from the Authorised Representative, the emails containing the requisite information/documents have been shared with the Applicant at the said email address. This very email ID was also provided by the Applicant in his claim.

- 24.** The erstwhile RP also issued a letter dated 16.11.2024 to the Applicant informing him of the initiation of the CIRP and various communications were also made to the Applicant by the Authorised Representative.
- 25.** All requisite documents, notices, agendas and information pertaining to the CIRP were duly shared by Respondent No.2 with the Applicant at the relevant times, in compliance with the provisions of the Code and the applicable Regulations. The Applicant, being part of the class of creditors represented through Respondent No.2, is bound by the decisions taken by the majority of the class creditors and cannot selectively challenge the CIRP process merely on vague and unsupported allegations of non-receipt of documents.
- 26.** When the cause of action and subject-matter of the dispute relates to an action in personam, the prayers cannot be sought in rem. The prayers sought by the Applicant are general in nature and hit the CIRP, whereas the cause espoused, without admitting, in the Application is personal.

SUBMISSIONS OF THE RESPONDENT NO. 2/ AUTHORIZED REPRESENTATIVE:

- 27.** With respect to the Applicant's request for a copy of the Resolution Plan along with all documents as received from the Resolution Applicant, Respondent No. 2 submitted that after receiving the list of creditors along with the voting percentage of creditors from the Resolution Professional, he duly circulated the Notice and Minutes of the 12th CoC meeting to the Applicant and other

class creditors vide emails dated 11.10.2025 and 17.10.2025, respectively. In the said CoC meeting, the Resolution Plans were placed before the CoC members for voting and were duly approved by the requisite majority.

- 28.** The Applicant had never requested any documents during the CIRP period and had also not furnished any confidential undertaking under Regulation 36 of the CIRP Regulations for seeking the Information Memorandum and related documents. Therefore, in the absence of a confidential undertaking furnished by the Applicant, Respondent No. 2, being the Authorised Representative of the class of creditors, was unable to share the relevant documents in compliance with the applicable provisions of law.
- 29.** With respect to the prayer seeking removal of Respondent No. 2 as the Authorised Representative, it is submitted that Respondent No. 2 has performed his duties diligently in full compliance with the provisions of the Code. Respondent No. 2 duly shared the CoC notices and minutes with the Applicant within the prescribed timelines and had also convened meetings of the class of creditors. All agenda notices and minutes of meetings were duly circulated to the Applicant on the email ID provided by the Resolution Professional. Notices and minutes of the 2nd to 11th CoC meetings were also circulated to the Applicant.
- 30.** The Resolution Professional convened the 7th CoC meeting on 27.06.2025, wherein the agenda for approval of the Request for Resolution Plan (“RFRP”)

in terms of Regulation 36B of the CIRP Regulations was placed before the CoC and was duly approved with 99.989% voting in favour. The Applicant neither communicated through email with Respondent No. 2 during the CIRP nor requested any documents from him.

- 31.** Despite the presence of the Authorised Representative, the present Application has been filed by an individual Financial Creditor/Allottee as a member of the class of creditors. Regulation 16A(10)(j) of the CIRP Regulations provides that the Authorised Representative shall act as a representative for the creditors in a class before the Adjudicating Authority, NCLAT and other regulatory authorities. Respondent No. 2 has discharged his duties diligently, acted in good faith and represented the collective interests of the class of creditors (Real Estate-Shop & Home Buyers) in all CoC deliberations and proceedings before this Tribunal.
- 32.** In view of the judgments of the Hon'ble Supreme Court in Jaypee Kensington Boulevard Apartments Welfare Association & Others v. NBCC (India) Limited & Others and Torrent Power Limited v. Ashish Arjunkumar Rathi, an application preferred by a single homebuyer challenging the Resolution Plan is not maintainable.

ANALYSIS AND FINDINGS:

- 33.** We have heard the Ld. Counsel appearing for the parties, and have perused the pleadings and documents placed on record.

- 34.** The Applicant has sought, inter alia, removal of the Resolution Professional and the Authorised Representative, initiation of disciplinary proceedings, issuance of a fresh Form G, invitation of fresh Resolution Plan(s) and a comprehensive transactional/forensic audit of the Corporate Debtor.
- 35.** At the outset, it is necessary to observe that the CIRP is a structured statutory process governed by the Code and the Regulations framed thereunder. The Code prescribes the respective roles and functions of the Resolution Professional, Committee of Creditors and Authorised Representative and also provides the manner in which claims are to be submitted and verified, creditors in a class are to be represented, meetings of the CoC are to be conducted and resolution plans are to be considered. Therefore, an individual creditor cannot seek to bypass the procedure prescribed under the Code and the Regulations and seek orders which would have the effect of altering or re-opening the CIRP merely on the basis of his individual grievances.
- 36.** Insofar as the Applicant seeks removal of Respondent No. 1/Resolution Professional is concerned, the Code itself provides a specific procedure under Section 27 of the Code. Section 27 contemplates replacement of the Resolution Professional by the Committee of Creditors where the CoC is of the opinion that the Resolution Professional is required to be replaced. Such replacement is to be approved by the CoC by a vote of sixty-six per cent of the voting shares and is subject to the written consent of the proposed Resolution

Professional. Thereafter, the name of the proposed Resolution Professional is forwarded to the Adjudicating Authority, which in turn forwards the same to the IBBI for confirmation. Thus, the statute specifically provides the manner in which a Resolution Professional can be replaced. Section 27 of the Code is reproduced hereinbelow:

“Section 27: Replacement of resolution professional by committee of creditors.

27. (1) Where, at any time during the corporate insolvency resolution process, the committee of creditors is of the opinion that a resolution professional appointed under section 22 is required to be replaced, it may replace him with another resolution professional in the manner provided under this section.

1/[(2) The committee of creditors may, at a meeting, by a vote of sixty-six per cent. of voting shares, resolve to replace the resolution professional appointed under section 22 with another resolution professional, subject to a written consent from the proposed resolution professional in the specified form.]

(3) The committee of creditors shall forward the name of the insolvency professional proposed by them to the Adjudicating Authority.

(4) The Adjudicating Authority shall forward the name of the proposed resolution professional to the Board for its confirmation and a resolution

professional shall be appointed in the same manner as laid down in section 16.

(5) Where any disciplinary proceedings are pending against the proposed resolution professional under sub-section (3), the resolution professional appointed under section 22 shall continue till the appointment of another resolution professional under this section.”

37. The Applicant, however, seeks a direction from this Adjudicating Authority for removal of the Resolution Professional and appointment of another Insolvency Professional without following the procedure contemplated under Section 27 of the Code. The jurisdiction under Section 60(5) read with Rule 11 cannot be invoked to circumvent a specific statutory mechanism provided under the Code. Where the legislature has prescribed the manner in which the Resolution Professional may be replaced, the same procedure is required to be followed. The Applicant, being an individual creditor forming part of a class, cannot substitute the statutory mechanism under Section 27 by seeking such replacement directly through the present Application.

38. Similarly, the Applicant seeks removal of Respondent No. 2/Authorised Representative and appointment of another Insolvency Professional. In this regard also, the CIRP Regulations specifically provide a mechanism for replacement of an Authorised Representative. Regulation 16A(3A) provides that financial creditors in the class representing not less than ten per cent

voting share may seek replacement of the Authorised Representative with an Insolvency Professional of their choice by making a request to the Interim Resolution Professional or Resolution Professional, who is required to circulate such request to the creditors in that class and announce a voting window for the purpose. Regulation 16A(3A) of IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 is reproduced hereinbelow:

“Regulation 16A: Authorised representative.

[(3A) The financial creditors in the class, representing not less than ten per cent. voting share may seek replacement of the authorised representative with an insolvency professional of their choice by making a request to the interim resolution professional or resolution professional who shall circulate such request to the creditors in that class and announce a voting window open for at least twenty-four hours.”

- 39.** The Hon'ble NCLAT in *Ashmeet Singh Bhatia v. Rakesh Verma & Anr.*, (2025) ibclaw.in 42 NCLAT, while considering a similar prayer for replacement of the Authorised Representative of homebuyers, has held that once a procedure for replacement of the Authorised Representative has been incorporated in Regulation 16A(3A), the statutory provision has to be followed. It was further held that an application by a single homebuyer for replacement of the Authorised Representative is not maintainable where the procedure

prescribed under the Regulations has not been followed. Relevant excerpt of the judgement is reproduced hereinbelow:

“30. There are more than one reasons for upholding the Order of the Adjudicating Authority, rejecting the IA filed by the Appellant being I.A. No.1158/2024:

i. The Resolution Plan of the Corporate Debtor was approved by the CoC as early as on 15.07.2020 with 80.13% votes on behalf of the Financial Creditors in a class where the Authorised Representative voted in the Meeting of the CoC. The Application for approval of the Resolution Plan was filed by the RP on 13.08.2020, which remain under consideration till passing of the impugned Order dated 24.07.2024.

The Application for replacement of the Authorised Representative has been filed by the Appellant only on 04.03.2024. Filing of the Application for replacement after more than 3-1/2 years when Plan was approved could not be entertained.

ii. The Authorised Representative of Homebuyers ie., Financial Creditors in a class has to cast his vote in accordance with the prior instructions of Authorised Representative of the class. All Authorised Representative in a class are bound by the voting by majority of votes as reflected by the voting by the AR. A lone

Homebuyer cannot be allowed to question the voting by Authorised Representatives on behalf of majority of Financial Creditor in a class.

31. *When a procedure for replacement of the Authorised Representatives have been introduced in the Regulations by 16A(3A) inserted on 18.09.2023, the said statutory provision has to be followed for replacement of Authorised Representatives. Adjudicating Authority did not commit any error in relying on the Regulation 16A(3A) of the CIRP Regulations for not accepting the Application of the Appellant.”*

40. In the present case, the Applicant has approached this Adjudicating Authority individually seeking removal of Respondent No. 2, without demonstrating that the statutory procedure under Regulation 16A(3A) has been invoked or complied with. Therefore, the prayer for removal of Respondent No. 2 cannot be granted in the manner sought by the Applicant. The statutory mechanism for replacement of the Authorised Representative cannot be bypassed by invoking the inherent jurisdiction of this Adjudicating Authority.

41. Coming to the grievance regarding the Applicant's claim, it is not in dispute that the Applicant submitted his claim in Form CA dated 06.11.2024 for Rs.94,38,457/- along with interest. An amount of Rs.92,14,110/- was admitted, whereas the balance amount of Rs.2,24,347/- was kept under verification and was subsequently not admitted. The Respondent No.1 has

explained that, as per the books and records of the Corporate Debtor, only Rs.92,14,110/- was reflected as having been received by the Corporate Debtor. The Resolution Professional is required to collate and verify the claims received against the Corporate Debtor on the basis of the information and records available to him. The Resolution Professional does not exercise the jurisdiction of a court or adjudicatory forum for determination of disputed questions of fact or contractual claims. Therefore, where the records of the Corporate Debtor do not reflect receipt of a particular amount, the Resolution Professional cannot be faulted merely because the creditor asserts that such amount was paid. In the present case, the Respondent has disclosed the basis for non-admission of the said amount and we find no material before us to conclude that the Resolution Professional acted beyond the scope of his statutory function.

- 42.** We now come to the allegation regarding non-receipt of notices, agendas, minutes and other CIRP documents. The Applicant asserts that he was not provided with the relevant documents, whereas the Respondents have specifically denied the same. Respondent No.1 has stated that the email address of the Applicant, namely saranhospital@hotmail.com, was available in the records of the Corporate Debtor and was also furnished by the Applicant in his claim. It has further been stated that the relevant details of

the financial creditors in the class were shared with the Authorised Representative.

- 43.** Respondent No.2 has specifically stated that notices and minutes of the CoC meetings were circulated to the Applicant at the said email address. It has been stated that the Notice and Minutes of the 12th CoC meeting were circulated by emails dated 11.10.2025 and 17.10.2025 respectively and that notices and minutes of the 2nd to 11th CoC meetings were also circulated. It has further been stated that the Applicant did not communicate with the Authorised Representative by email during the CIRP and did not request the documents which he now alleges were not provided to him. The Respondent No.1 has also referred to the letter dated 16.11.2024 issued by the erstwhile Resolution Professional informing the Applicant regarding initiation of the CIRP.
- 44.** Thus, the allegation that the Applicant was wholly excluded from the CIRP process is not borne out from the material placed before us. The Respondents have disclosed the mode of communication and the email address to which the communications were sent. Merely because the Applicant states that he did not receive or access a particular communication cannot, in the circumstances of the present case, lead to a finding that the Respondents deliberately excluded him from the CIRP.

- 45.** Insofar as the Information Memorandum and other confidential CIRP documents are concerned, Respondent No.2 has submitted that the Applicant had not requested such documents during the CIRP and had also not furnished the requisite confidentiality undertaking for obtaining the Information Memorandum and related documents. The statutory scheme governing access to such information cannot be disregarded. An individual creditor cannot claim unrestricted access to confidential CIRP material dehors the procedure prescribed under the Code and Regulations.
- 46.** We also take note of the submission of Respondent No.2 that the RFRP was approved in the 7th CoC meeting held on 27.06.2025 with 99.989% voting in favour and that the Resolution Plans were subsequently placed before the CoC for consideration and voting. The Applicant, being a member of the class of creditors represented through the Authorised Representative, is required to participate in the collective mechanism prescribed under the Code. The statutory scheme does not contemplate that every individual member of a class can independently challenge the collective process and seek re-conduct of the CIRP.
- 47.** The allegation of collusion between Respondent Nos.1 and 2 is also not supported by any cogent material. Serious allegations of collusion and mala fide conduct cannot be accepted merely on the basis of apprehensions or assertions. The Applicant has not placed before us any material

demonstrating that the Respondents deliberately acted in concert to exclude him or otherwise compromised the CIRP.

- 48.** The Applicant has relied upon the order dated 11.07.2024 of the Disciplinary Committee of the IBBI whereby a penalty was imposed upon Respondent No.1 in respect of certain non-compliances. Such previous proceedings, by themselves, cannot establish misconduct in the present CIRP. The allegations in the present Application have to be examined on the basis of the facts and material relating to the present CIRP, and no material has been placed before us which would warrant a finding of misconduct on this basis.
- 49.** The prayer seeking issuance of a fresh Form G and invitation of fresh Resolution Plan(s) is consequential in nature and cannot be granted in the absence of a finding that the CIRP has been vitiated by a fundamental illegality. The Applicant has failed to establish such illegality. The mere fact that the Applicant raises an individual grievance regarding his participation or claim does not warrant setting aside the process undertaken by the RP and the CoC in accordance with the statutory framework.
- 50.** The Applicant has also sought a comprehensive transactional and/or forensic audit. No specific material has been placed before us demonstrating circumstances warranting such a direction. A general allegation or apprehension cannot, by itself, justify directing an audit of the affairs of the Corporate Debtor, particularly when the Code itself prescribes the

circumstances and mechanism for examination of transactions and the duties of the Resolution Professional in this regard.

- 51.** It is also relevant that the Applicant is one of the creditors forming part of a class of creditors for whom an Authorised Representative has been appointed. Regulation 16A and Section 25A provide the statutory framework for representation of such class. The Authorised Representative has submitted that he has represented the collective interests of the class and has discharged his duties in accordance with the Code. The Applicant cannot, merely on the basis of an individual grievance, seek to displace the statutory mechanism of collective representation.
- 52.** We are conscious that the jurisdiction under Section 60(5) of the Code is wide. However, such jurisdiction cannot be exercised in a manner which renders otiose a specific procedure expressly provided under the Code and Regulations. Where the Code provides a particular procedure for the CoC to replace of the Resolution Professional under Section 27 and the Regulations provide a specific procedure for replacement of the Authorised Representative under Regulation 16A(3A), the same cannot be circumvented by invoking Section 60(5) read with Rule 11.
- 53.** In the present case, the Applicant has neither followed the statutory mechanism for seeking replacement of the Resolution Professional nor demonstrated compliance with the procedure prescribed for replacement of

the Authorised Representative. More importantly, the allegations made against the Respondents, even otherwise, do not establish such fundamental illegality or misconduct as would warrant interference with the CIRP or justify the sweeping reliefs sought in the present Application.

54. In view of the foregoing discussion, we find no merit in the present Application. Accordingly, I.A. 1637 (ND) 2026 is **dismissed**.

No order as to costs.

-SD/-

**ATUL CHATURVEDI
MEMBER (TECHNICAL)**

-SD/-

**MAHENDRA KHANDELWAL
MEMBER (JUDICIAL)**

IN THE NATIONAL COMPANY LAW TRIBUNAL
NEW DELHI BENCH
COURT-IV

I.A. 2379 ND 2026
IN
C.P. IB 284 (PB) OF 2021

IN THE MATTER OF:
MR. PANKAJ GUPTA

...Applicant No.1

MS. PRACHI JAIN

...Applicant No.2

Versus

MR. NARENDRA KUMAR SHARMA
RESOLUTION PROFESSIONAL
SPACE TOWERS PVT. LTD.

...Respondent No. 1

AND IN THE MATTER OF:

VIVEK KHANNA & ORS

...Financial Creditors

Versus

SPACE TOWERS PVT. LTD.

...Corporate Debtor

Order Pronounced on: 05.10.2026

CORAM:

SHRI MAHENDRA KHANDELWAL
HON'BLE MEMBER (JUDICIAL)

SHRI ATUL CHATURVEDI
HON'BLE MEMBER (TECHNICAL)

PRESENT:

For the Applicant : Mr. Vivek Kumar, Ms. Raveena Paniker, Advs.

For the RP : Mr. Karan Gandhi, Mr. Sikhar Tiwari, Mr. Pratham

Bansal, Ms. Riya Jain, Ms. Vidhika Kapoor, Advs.

For the AR : Mr. Vishal, Adv.

ORDER

PER: ATUL CHATURVEDI, MEMBER (TECHNICAL)

1. The present Application has been filed by the Applicants under Section 60(5) of the Insolvency and Bankruptcy Code, 2016 ("Code") read with Rule 11 of the National Company Law Tribunal Rules, 2016 ("NCLT Rules, 2016") seeking the following reliefs:

"a. Direct the Respondent/Resolution Professional, Mr. Narender Kumar Sharma, to formally admit and recognize the claim of the Applicants as Financial Creditors/Homebuyers under Section 5(8)(f) of the Insolvency and Bankruptcy Code, 2016, in respect of their adjudicated and crystallized claim of Rs. 41,80,000/-arising from the order dated 15.03.2022 of HRERA and Recovery Certificate No. RC/41.8L/2024 dated 28.08.2024, and update the list of Financial Creditors accordingly;

b. Direct the Respondent/Resolution Professional to forthwith place on record before this Hon'ble Tribunal and furnish to the Applicants a complete and true copy of the approved Resolution Plan, including all relevant schedules, annexures and provisions pertaining to the treatment, payment and distribution mechanism applicable to Financial

I.A 2379 ND 2026

IN

C.P. IB 284 (PB) OF 2021

Date of Order: 05.10.2026

Page 2 of 17

Creditors/Homebuyers of the class to which the Applicants belong, as specifically represented by the RP's counsel before this Hon'ble Tribunal on 29.01.2026;

c. Restrain the Respondent/Resolution Professional and/or the Successful Resolution Applicant from acting upon, giving effect to, or implementing any provision or clause of the Resolution Plan that seeks to extinguish, exclude, or provide treatment inferior to other similarly placed homebuyers in respect of the Applicants' adjudicated claim, without prior orders of this Hon'ble Tribunal;

d. Direct the Respondent/Resolution Professional to place on record a revised and updated list of Financial Creditors reflecting the formal admission of the Applicants' claim in accordance with the IBC and the CIRP Regulations, and to furnish the same to all stakeholders;

e. Pass such other and further orders as this Hon'ble Tribunal may deem fit and proper in the facts and circumstances of the case.”

SUBMISSIONS OF THE APPLICANT:

- 2.** The Applicants are homebuyers and Financial Creditors of the Corporate Debtor in respect of Unit No. 54, Tower B-3, in the project “Spaze Privy AT-4”, Sector 84, Gurugram. Possession of the Unit was due in 2015; however, on account of delay, the Applicants approached HRERA, Gurugram, which vide

Order dated 15.03.2022 awarded interest at 9.3% per annum on the amounts paid along with compensation for the increased super area. Subsequently, HRERA issued Recovery Certificate dated 28.08.2024 for an amount of Rs. 41,80,000/-, representing the adjudicated and crystallised liability of the Corporate Debtor.

3. Upon commencement of CIRP against the Corporate Debtor on 21.10.2024, the Applicants filed their claim in Form CA on 04.11.2024 along with the HRERA Order, Recovery Certificate and proof of payment. The IRP acknowledged the claim and included the Applicants in the List of Financial Creditors dated 22.12.2024, albeit marking the same as “under review”. However, after his appointment, the RP, vide email dated 06.09.2025, denied the Applicants' status as Financial Creditors solely on the ground that a conveyance deed had been executed and directed them to file their claim in Form B as Operational Creditors. The Applicants contend that despite repeated correspondence, no formal communication regarding rejection of their claim, along with reasons, was issued as required under Regulation 13(2) of the CIRP Regulations.
4. It is submitted that in May 2025, the RP made execution of the conveyance deed a precondition for handing over possession of the Unit. Consequently, the Applicants executed the conveyance deed on 29.05.2025 under protest

and while expressly reserving their rights to pursue their claims under the IBC and RERA. Possession was thereafter handed over on 02.06.2025. According to the Applicants, execution of the conveyance deed merely transferred title in the Unit and could not extinguish their independent and crystallised claim arising from delay in possession, particularly when the deed was executed under protest.

5. Aggrieved by the refusal of the RP to admit their claim as a Financial Creditor, the Applicants filed IA No. 5568/ND/2025. During the hearing on 29.01.2026, counsel appearing for the RP submitted that the Resolution Plan contained treatment for the Applicants' claim as Financial Creditors, that the RP was willing to accept the claim, and that the same would be treated in accordance with law. Relying upon the said submission, the Applicants withdrew IA No. 5568/ND/2025. It is contended that the withdrawal was induced by the categorical representation made on behalf of the RP and, therefore, the RP is bound by the same.
6. However, despite subsequent emails dated 24.02.2026 and 03.03.2026, the RP did not formally admit the Applicants' claim. Thereafter, vide email dated 01.05.2026, the RP took the position that execution of the conveyance deed and handing over of possession constituted full and final settlement of the Applicants' claims, that no revised list of Financial Creditors would be issued,

and that the Resolution Plan governed the treatment of all claims. The Applicants contend that this position is contrary to the undertaking recorded before this Adjudicating Authority and that the conveyance deed cannot extinguish an independent, adjudicated claim towards delay compensation. It is further submitted that the Applicants were not provided access to the relevant provisions of the Resolution Plan concerning their claim.

7. The Applicants thereafter filed Contempt Petition No. 15/ND/2026, which was dismissed on 04.05.2026 on the ground that, after withdrawal of IA No. 5568/ND/2025, no subsisting order existed capable of being contravened. However, liberty was granted to the Applicants to avail appropriate remedies in accordance with law. The Applicants submit that the dismissal of the contempt petition did not amount to a finding that the RP's conduct or subsequent position was lawful.
8. The HRERA Recovery Certificate represents a crystallised financial liability and constitutes a Financial Debt under Section 5(8) of the IBC. It is contended that, by virtue of Explanation (i) to Section 5(8)(f), amounts raised from allottees under a real estate project have the commercial effect of borrowing, and the Applicants continue to be Financial Creditors notwithstanding execution of the conveyance deed. Reliance is placed upon Pioneer Urban Land and Infrastructure Ltd. v. Union of India and Amit Katyal v. Meera

Agarwal. The Applicants also contend that the RP's failure to communicate reasons for non-admission of their claim violates Regulation 13(2) of the CIRP Regulations and principles of natural justice.

9. Similarly situated homebuyers who have not executed conveyance deeds are being treated as Financial Creditors under the Resolution Plan. According to the Applicants, execution of the conveyance deed is the only distinguishing factor, which cannot constitute a valid ground for exclusion from the Financial Creditor class or for differential treatment. Such exclusion, according to the Applicants, would be contrary to Section 30(2)(b) of the IBC.
10. The Applicants contend that the doctrine of estoppel by conduct applies, as they withdrew their earlier application relying upon the categorical representation made by counsel for the RP before this Adjudicating Authority. The RP, according to the Applicants, cannot subsequently adopt a position contrary to the representation upon which the Applicants acted to their detriment.
11. Lastly, it is submitted that the present dispute concerning recognition and treatment of the Applicants' claim as Financial Creditors arises directly out of and in relation to the CIRP and is, therefore, within the jurisdiction of this Adjudicating Authority under Section 60(5) of the IBC. Since the Resolution Plan is pending approval under Section 31 of the IBC, the Applicants contend

that this Adjudicating Authority may examine whether the Plan provides treatment to them at par with similarly situated Financial Creditors and satisfies the requirements of Section 30(2)(b) of the IBC.

SUBMISSIONS OF THE RESOLUTION PROFESSIONAL:

- 12.** The present Application is frivolous and is an attempt by the Applicant to obtain benefits over and above his entitlement under the CIRP and the Resolution Plan. It is not disputed that the Applicant had booked Unit No. 54, B-3 Tower, in the project “Privy AT-4” and that the Corporate Debtor had failed to hand over possession within the stipulated period of 36 months plus the grace period of six months. Aggrieved by the delay, the Applicant approached HRERA, Gurugram in Complaint No. 2298 of 2021, which was allowed vide Order dated 15.03.2022, directing payment of interest at the prescribed rate of 9.30% per annum for the period of delay.
- 13.** The Corporate Debtor was admitted into CIRP by this Adjudicating Authority vide Order dated 21.10.2024 in C.P. (IB) No. 284(PB)/2021. The commencement of CIRP was challenged before the Hon'ble NCLAT and thereafter before the Hon'ble Supreme Court. The challenge seeking confinement of the CIRP to a single project, namely “Spaze Arrow”, was rejected by the Hon'ble NCLAT, which held that confining the CIRP to one project would result in exclusion of claims arising from other projects. The

said view was subsequently affirmed by the Hon'ble Supreme Court. Thereafter, the appeal against the CIRP commencement order was withdrawn on 22.08.2025.

14. Meanwhile, the Applicant obtained Recovery Certificate No. RC/41.8L/2024 from HRERA for an amount of Rs. 41.80 lakhs pursuant to the Order dated 15.03.2022. The Applicant filed his claim before the IRP on 04.11.2024, which was kept under review. Upon his appointment as RP, the Respondent, in terms of Regulation 4E of the CIRP Regulations, took steps to offer possession and facilitate execution of conveyance deeds in favour of eligible allottees.

15. The Applicant executed the conveyance deed on 29.05.2025 and possession of the Unit was offered on 02.06.2025. The RP submits that these facts are not disputed, except for the Applicant's contention that the conveyance deed was executed under protest.

16. During CIRP, after approval of the CoC, the RP invited expressions of interest in three categories, namely: (i) 13 projects along with the Corporate Debtor; (ii) 12 projects excluding "Spaze Arrow" along with the Corporate Debtor; and (iii) only the "Spaze Arrow" project. The Applicant's project, "Privy AT-4", formed part of the category comprising 12 projects along with the Corporate Debtor. Pursuant to the process, two Resolution Plans were received and placed before the CoC in its 12th meeting held on 15.10.2025. The Resolution

Plan submitted by the Consortium of Mr. Harpal Singh Chawla, Mr. Vipin Sharma, Mr. Bharat Bhushan Kumar and Mr. Deepak Kumar was approved with 96.42% voting share, and the Plan Approval Application is presently pending before this Adjudicating Authority.

17. The Applicant had earlier filed IA No. 5568/ND/2025 seeking similar reliefs, which was withdrawn on 29.01.2026. During the hearing, counsel for the RP submitted that the Resolution Plan contained treatment for the Applicant's claim and that the claim would be accepted and treated in accordance with law. The Applicant thereafter sought to rely upon the said submission as an undertaking and filed Contempt Petition No. 15/ND/2026, which was dismissed by this Adjudicating Authority vide Order dated 04.05.2026.

18. The RP subsequently clarified the Applicant's position vide email dated 01.05.2026. The RP informed the Applicant that his claim stood subsumed within the framework of the Resolution Plan and would be treated in accordance with its terms. The relevant provisions of the Resolution Plan provide that once a conveyance deed has been registered in favour of an allottee, the same shall constitute full and final settlement of all claims against the Corporate Debtor, and no further monetary or other claims shall survive. The Plan also provides that registration of conveyance deeds and

grant of possession are subject to payment and reconciliation of the balance sale consideration, wherever applicable.

- 19.** According to the RP, the Applicant was informed of his treatment under the Resolution Plan, and therefore, the prayers sought in the present Application do not survive. The Applicant cannot seek to stand outside the Resolution Plan and independently claim the benefit of the HRERA Order dated 15.03.2022 and the Recovery Certificate dated 28.08.2024 after having executed the conveyance deed and obtained possession of the Unit.
- 20.** The Applicant, though initially a Financial Creditor in a class, ceased to have a subsisting claim in that capacity after execution of the conveyance deed and receipt of possession, in terms of the treatment provided under the Resolution Plan. The Order dated 29.01.2026, according to the RP, made it clear that the Applicant's claim would receive treatment in accordance with the Resolution Plan, which position was accepted by the Applicant at the relevant time.
- 21.** An individual homebuyer cannot override the commercial wisdom of the CoC or challenge the manner of treatment provided under a Resolution Plan approved with the requisite majority. Reliance is placed upon ***Jaypee Kensington Boulevard Apartments Welfare Association & Ors. v. NBCC (India) Ltd. & Ors., Arun Kumar Jagatramka v. Jindal Steel and Power Ltd., IMR Metallurgical Resources AG v. Ferro Alloys Corporation Ltd.***

and Committee of Creditors of Essar Steel India Ltd. v. Satish Kumar Gupta, to contend that the commercial wisdom of the CoC, including matters concerning feasibility, viability and distribution, is not open to judicial review except to the limited extent permissible under Section 30(2) of the IBC. Accordingly, it is submitted that the Applicant cannot seek any additional or independent recovery outside the framework of the Resolution Plan.

ANALYSIS AND FINDINGS:

- 22.** We have heard the learned Counsel on behalf of the parties and have perused the pleadings and documents placed on record.
- 23.** The principal issue arising for consideration is whether, after execution of the registered conveyance deed in respect of Unit No. 54, Tower B-3, “Spaze Privy AT-4”, and after receipt of possession of the said Unit, the Applicants can seek a direction to the Resolution Professional to separately admit and recognise the amount of Rs. 41,80,000/- arising from the Order dated 15.03.2022 passed by HRERA and the Recovery Certificate dated 28.08.2024, dehors the treatment contemplated under the Resolution Plan.
- 24.** At the outset, there is no dispute regarding the factual chronology relevant to the present Application. The Applicants had booked the aforesaid Unit in the project of the Corporate Debtor and possession was not delivered within the stipulated period. The Applicants consequently approached HRERA,

Gurugram, which passed an Order dated 15.03.2022 awarding interest on the amounts paid by the Applicants, together with compensation towards the increased super area. A Recovery Certificate dated 28.08.2024 was thereafter issued for an amount of Rs. 41,80,000/-. The Applicants also lodged their claim before the IRP on 04.11.2024, after commencement of CIRP on 21.10.2024. The claim was initially reflected in the list maintained by the IRP as being under review.

25. It is equally undisputed that during the CIRP, the Applicants executed the conveyance deed on 29.05.2025 and possession of the Unit was handed over on 02.06.2025. The Applicants contend that the conveyance deed was executed under protest and that they had expressly reserved their rights in respect of the HRERA claim. However, the fact remains that the conveyance deed was executed and possession was thereafter accepted by the Applicants. The execution of the conveyance deed and handing over of possession are material events which have to be considered while determining the subsistence and treatment of any claim in the CIRP.

26. The Applicants principally rely upon the HRERA Order and Recovery Certificate to contend that their claim stands crystallised and constitutes a financial debt. The Applicants have also placed reliance upon the fact that they were initially reflected as Financial Creditors and upon the submission

made on behalf of the Resolution Professional on 29.01.2026 in the earlier I.A. No. 5568/ND/2025. It is submitted that, acting upon such representation, the Applicants withdrew the earlier Application and that the Resolution Professional is consequently estopped from taking a contrary position.

27.In this regard, it is pertinent to note that I.A. No. 5568/ND/2025 was withdrawn and the Contempt Petition No. 15/ND/2026 filed thereafter was also dismissed vide order dated 04.05.2026, with liberty to the Applicants to avail appropriate remedies in accordance with law. Thus, no operative or subsisting direction survives from the earlier proceedings directing the Resolution Professional to admit the Applicants' claim in a particular manner. The submission made during the hearing that the claim would be treated in accordance with law and the Resolution Plan cannot be construed as an adjudication by this Adjudicating Authority declaring the Applicants entitled to an independent payment of Rs. 41,80,000/-.

28.The Applicants further contend that execution of the conveyance deed merely transferred title and could not extinguish their independently adjudicated claim for delay compensation.

29.The Resolution Professional has specifically placed reliance upon the relevant provisions of the Resolution Plan under which registration of the conveyance

deed in favour of an allottee constitutes full and final settlement of claims against the Corporate Debtor, with no further monetary or other claims surviving thereafter. The Plan also contemplates registration of conveyance deeds and handing over of possession subject to reconciliation and payment of balance sale consideration, wherever applicable.

30. While it is true that the said order may confer upon them the status of decree-holders as per Section 3(10) of the IBC, the debt arising therefrom is not a financial debt within the meaning of Section 5(8)(f). Consequently, the present claim cannot be classified as that of 'creditors in class' under the Code.

31. The Applicants' contention that similarly situated allottees who have not executed conveyance deeds continue to be treated as Financial Creditors also does not, by itself, establish a case for the relief sought. The Applicants' factual position is materially different because, admittedly, the Applicants have executed the conveyance deed and have obtained possession. Mere comparison with allottees who are in a different factual position cannot confer upon the Applicants an entitlement to disregard the consequences of the transaction voluntarily completed by them.

32. Further, in the present case, the effect of registration of the conveyance deed is specifically provided under the Resolution Plan. Clause 5.1.6.11.4 provides that once the conveyance deed has been registered in favour of the concerned

Allottee, the same shall be considered as full and final settlement of any and all claims against the Corporate Debtor and no further claims, whether monetary or otherwise, shall remain against the Corporate Debtor. In the present case, the Applicants admittedly executed the conveyance deed on 29.05.2025 and obtained possession of the Unit on 02.06.2025. Consequently, the effect stipulated under Clause 5.1.6.11.4 operates against the Applicants. Thus, even assuming that the HRERA Order and Recovery Certificate had conferred upon the Applicants the status of decree-holders, the claim arising therefrom does not survive against the Corporate Debtor in view of the express terms of the Resolution Plan upon registration of the conveyance deed. The decree-holder status, therefore, cannot be relied upon to sustain any further claim against the Corporate Debtor.

33. Further it is to be noted that the Applicants, being individual homebuyers, cannot seek to challenge or alter the treatment accorded to their claim under the Resolution Plan. In *Jaypee Kensington Boulevard Apartments Welfare Association & Ors. v. NBCC (India) Ltd. & Ors.*, the Hon'ble Supreme Court has held that an individual homebuyer cannot assail the Resolution Plan contrary to the collective decision of the class.

34. Accordingly, the Applicants cannot be recognised as Financial Creditors/Homebuyers in respect of the claim in question. Further, in view of

Clause 5.1.6.11.4 of the Resolution Plan, even the claim founded upon the HRERA Order and Recovery Certificate does not survive against the Corporate Debtor after registration of the conveyance deed. The Applicants, therefore, cannot seek any treatment or payment in respect of the said claim under the CIRP as a Financial Creditor or otherwise.

35. Accordingly, the present **I.A. No. 2379/ND/2026** is hereby **dismissed**.

No order as to costs.

-SD/-

ATUL CHATURVEDI
MEMBER (TECHNICAL)

-SD/-

MAHENDRA KHANDELWAL
MEMBER (JUDICIAL)

IN THE NATIONAL COMPANY LAW TRIBUNAL
NEW DELHI BENCH
COURT-IV

I.A. 6166 ND 2025
IN
C.P. IB 284 (PB) OF 2021

IN THE MATTER OF:

MUKESH KAKAR

...Applicant

Versus

MR. NARENDRA KUMAR SHARMA
RESOLUTION PROFESSIONAL
SPACE TOWERS PVT. LTD.

...Respondent

AND IN THE MATTER OF:

VIVEK KHANNA & ORS

...Financial Creditors

Versus

SPACE TOWERS PVT. LTD.

...Corporate Debtor

Order Pronounced on: 05.10.2026

CORAM:

SHRI MAHENDRA KHANDELWAL
HON'BLE MEMBER (JUDICIAL)

SHRI ATUL CHATURVEDI
HON'BLE MEMBER (TECHNICAL)

PRESENT:

For the Applicant : Mr. Aravind Subramaniam, Senior Advocate; Mr.
Upamanyu Sharma, Adv.

For the RP : Mr. Karan Gandhi, Mr. Sikhar Tiwari, Mr. Pratham
Bansal, Ms. Riya Jain, Ms. Vidhika Kapoor, Advs.

ORDER

PER: ATUL CHATURVEDI, MEMBER (TECHNICAL)

1. The present Application has been filed by the Applicant under Section 60(5) of the Insolvency and Bankruptcy Code, 2016 ("Code") read with Rule 11 of the National Company Law Tribunal Rules, 2016 ("NCLT Rules, 2016") seeking the following reliefs:

- i. Pass an order taking on record the Objections being filed herein by the Applicant to the Resolution Plan resolved to be put up for approval before the Committee of Creditors, in the 14th Meeting held on 17.11.2025 & 18.11.2025 for Spaze Towers Private Limited;*
- ii. Pass an order rejecting the subject matter Resolution Plan for Spaze Towers Private Limited which has been put up for approval before the Committee of Creditors;*
- iii. Pass an order directing the Resolution Professional to invite fresh bids for a Resolution Plan which satisfies the parameters set out by the Insolvency and Bankruptcy Code, 2016 and associated regulations/guidelines; &*
- iv. Pass such further order(s) or grant relief as this Hon'ble Court may deem just and proper in the facts and circumstances of the case.*

SUBMISSIONS OF THE APPLICANT:

2. Pursuant to getting notice of the CIRP of the Corporate Debtor by way of the public announcement, the Applicant had filed the Claim before the Resolution Professional dated 09.12.2024, of Rs.52,59,583/-.
3. Thereafter, the Applicant had issued Email dated 28.10.2025 objecting to the proposed Resolution Plan and had requested that the said objection be conveyed to the CoC.
4. Vide Email dated 13.11.2025, the Applicant had received the Notice for the 14th Meeting of the CoC to be conducted on 17.11.2025 along with Agenda and the Proposed Resolution Plan submitted by M/s Siddharani Estate.
5. The Resolution plan provides the following:
 - i. In the Financial Proposal concerning the class of creditors who have filed a claim, to which the Applicant belongs; against the admitted amount of Rs. 46,60,55,780/-, the Resolution Applicant has proposed to pay a one-time settlement amount of Rs.15,00,00,000/- (Rupees Fifteen Crores) towards the unit holders' claims, irrespective of the amount individually paid or received earlier.
 - ii. Out of the said amount of Rs.15,00,00,000/-, the Resolution Applicant will give priority to the unit holders having Builder Buyer Agreements, by allocating Rs. 12,00,00,000/- (Rupees Twelve Crores) to such allottees

iii. The Resolution Applicant has only allocated Rs. 2,00,00,000/- (Rupees Two Crores) to be disbursed to the unit holders having Memorandum of Understanding. That the Applicant falls within this class of allottee who have entered into the Memorandum of Understanding. That if the said proposal is accepted, the Applicant is likely to get a one-time settlement amount of around Rs.2-4 lacs against the Applicant's claim of around Rs.52 lacs, which is a negligible return compared to what is owed to the Applicant.

- 6.** Being aggrieved by the aforesaid Proposed Resolution Plan, the Applicant had issued Email dated 28.10.2025, i.e., before the meeting of the CoC was scheduled, to the Resolution Professional, objecting to the said Proposed Resolution Plan and also requested that the same should be conveyed to the CoC.
- 7.** The Applicant had received the Minutes of the 14th Meeting of the CoC, vide Email dated 20.11.2025, wherein it was stated that the Resolution Plan, after some modifications/alterations, has been resolved to be put before the CoC for a vote, and the Authorised Representative of the Applicant has failed to put forward the objections raised by the Applicant herein, despite having received the objections from the Applicant on 28.10.2025. Moreover, it was stated in the said Email that E-Voting with respect to the said Resolution Plan

will be conducted for the Real Estate Allottees from 22.11.2025 (at 01:00 P.M.) till 24.11.2025 (till 06:00 P.M.).

8. It was informed to the Applicant, vide Email dated 25.11.2025 that in the E-Voting conducted on 22.11.2025, the Resolution Plan has been voted in favour.
9. The Applicant through this application has raised the following objections to the Resolution Plan:
 - i. By differentiating and sub-classifying the allottees who have received assured returns, such as the Applicant, with the allottees having Builder Buyer Agreements, the Resolution Plan is essentially creating a class within a class and seeking to deny allottees such as the Applicant their fair share of settlement amount, without any rational basis. Such differentiation, resulting in lesser amounts being offered for one-time settlement, is illegal, arbitrary, and without justification. Accordingly, the Resolution Plan is liable to be set aside and fresh bids be called for so that a more uniform, fair, and justified resolution is proposed.
 - ii. The allottees who have entered into the Builder Buyer Agreement and those who have entered into the Memorandum of Understanding are both unit holders who have been allotted units under the Project. Therefore, the allottees cannot be differentiated on the basis of whether they entered into the Builder Buyer Agreement or the Memorandum of Understanding.

- iii.** The Resolution Professional and the Authorised Representative of the allottees who have entered into the MoU have failed to consider and/or record the specific objections raised by the Applicant vide Email dated 28.10.2025. the Resolution Professional is required to ensure that the Resolution Plan satisfies the parameters under the Code and associated regulations/guidelines. However, the Resolution Professional has failed to consider the Applicant's objections, which show that the Resolution Plan is in contravention of, inter alia, Section 30(2) of the Code. The Authorised Representative, who is also holding authority on behalf of the allottees having Builder Buyer Agreements, ought to have considered and recorded the Applicant's objections.
- iv.** The proposed one-time settlement is in the nature of an enhanced settlement for the allottees having Builder Buyer Agreements, at the cost of allottees such as the Applicant losing out on their fair share of settlement amount, which is unfair, prejudicial, and arbitrary. The Resolution Plan cannot be implemented in a manner which benefits only a sub-class of creditors while the other sub-class suffers at the expense of unjustified allocation of the settlement amount.
- v.** The Resolution Plan is in contravention of Explanation 1 under clause (b) of sub-section (2) of Section 30 of the Code, which stipulates that distribution must be fair and equitable to each class of creditors. In the

present case, allottees having MoUs are being differentiated and enhanced settlement is being offered to allottees having Builder Buyer Agreements, at the cost of allottees such as the Applicant losing their fair share of settlement amount, which is unfair, prejudicial, and arbitrary.

- vi.** The Resolution Plan is in contravention of Regulation 37 of the CIRP Regulations, which stipulates that a resolution plan must provide for measures necessary for insolvency resolution of the corporate debtor for maximization of value of its assets, including curing any breach of the terms of any debt due from the corporate debtor. In the present case, the Resolution Plan seeks to give unfair and unjust one-time settlement to one set of allottees while completely ignoring the debts payable to the allottees having MoUs.
- vii.** The Resolution Plan is in contravention of Regulation 38(3) of the CIRP Regulations, as it does not demonstrate that it is feasible and viable or provide for the requisite approvals and timeline. The Resolution Plan does not propose any revival or project completion and instead proposes a limited cash settlement and transfer of unsold inventory to itself, which is not a resolution but a liquidation-like outcome.
- viii.** The resolution plan which has been approved also does not propose any revival or project completion; instead, it proposes a limited cash

settlement and transfer of unsold inventory to itself, which is not a resolution but a liquidation-like outcome.

- ix.** Under the Code, all homebuyers form one class of financial creditors, and differentiating between assured return allottees, such as the Applicant, and allottees having Builder Buyer Agreements violates Section 5(8)(f) of the Code and the CIRP Regulations. The July 2025 Order passed by this Tribunal also recognises Arrow allottees under the same collaboration structure.
- x.** The plan does not present a credible construction model, feasibility analysis, funding proof, escrow mechanism, or timelines backed by capacity.
- xi.** The plan requests board waivers from the Department of Town and Country Planning, the Real Estate Regulatory Authority, and other authorities, which cannot be assumed by the CoC and undermine viability.
- xii.** Project Arrow was one of the 13 projects and 12 out of the said 13 projects have been stated to be completed, which has, in effect, made Project Arrow less burdened with the overall debt. In view of the aforesaid facts and circumstances, the Applicant firmly believes that in case fresh bids are called for, it can reasonably be expected that a more balanced,

fair, and feasible Resolution Plan will be submitted, more prudent than the present Resolution Plan submitted by M/s Siddharni Estate.

- xiii.** The minutes of the meeting record under Item No. 6 that the Chairman had informed the CoC that Mr. Advait Singh, one of the partners of M/s Siddharni Estate (Resolution Applicant), is the brother of Mr. Ishan Singh (landowner of Project Arrow) and both are Directors in 2 companies. The aforesaid fact raises serious and justified concerns of conflict of interest and can also be a ground for ineligibility of the Resolution Applicant under Section 29A of the Code.

SUBMISSIONS OF THE RESPONDENT/RESOLUTION PROFESSIONAL:

- 10.** The present application is not maintainable as the resolution plan is already approved by the COC on 25.11.2025.
- 11.** Individual homebuyers do not have independent locus standi to challenge the resolution plan once approved by the majority of the CoC.
- 12.** The Code does not provide any leeway or scope to dissatisfied individual Homebuyers in a minority to override the commercial wisdom of the majority in the CoC. Reliance is placed on the Hon'ble Supreme Court in the matter of ***Jaypee Kensington Boulevard Apartments Welfare Association & Ors. vs. NBCC (India) Ltd. & Ors.) Civil Appeal No. 3395 of 2020*** wherein it has been held that the individual home buyers have no locus to challenge the resolution plan. The Hon'ble Supreme Court also inter alia held that the

individual homebuyer should raise their grievance through authorized representative and cannot be allowed to agitate their individual rights in the absence of any failure by the Authorised Representative to address their concerns.

13. Reliance had also been placed on the decisions of the Hon'ble NCLAT in in the matter of ***Mr. Ramprasad Vishvanath Gupta v. Mr. Dinesh Kumar Deora (RP) and Ors., "Company Appeal (AT) (Insolvency) No. 442 of 2025*** and ***Mr. Girish Nalavade v. Bhrugesh Amin and Ors., Company Appeal (AT) (Insolvency) No. 1542 of 2023.***

14. It is settled that minimum judicial intervention on the decision of CoC in its commercial wisdom related to resolution plan and that the Commercial wisdom of the CoC is paramount. Reliance has been placed on Arun Kumar Jagatramka Vs. Jindal Steel and Power Limited and Another, (2021) 7 SCC 474, Vallal RCK Vs. M/s Siva Industries and Holdings Limited and Others, Civil Appeal No. 1811-1812 of 2022, "IMR Metallurgical Resources AG Vs. Ferro Alloys Corporation Limited and Ors., C.A. (AT) (INS) No. 272 of 2020, Rajesh Kumar & Ors. Vs. Rabindra Kumar Mintri & Anr., C.A. (AT) (INS) No. 1489 of 2022, K. Sashidhar v. Indian Overseas Bank (2019) 12 SCC 150, Committee of Creditors of Essar Steel v. Satish Kumar Gupta (2020) 8 SCC 531, and Kalpraj Dharamshi & Anr. v. Kotak Investment Advisors Ltd. & Anr., Civil Appeal Nos. 2943- 2944 of 2020.

ANALYSIS AND FINDINGS:

- 15.** We have heard the Ld. Counsel appearing for the parties and perused the pleadings and documents placed on record.
- 16.** At the outset, we consider it appropriate to deal with the objection of the Resolution Professional regarding the maintainability of the present Application. It is not in dispute that the Resolution Plan submitted by M/s Siddharni Estate was placed before the CoC and was approved by the requisite voting majority on 25.11.2025. The Applicant admittedly forms part of the class of real estate allottees represented through the Authorised Representative. The Respondent has therefore contended that an individual homebuyer cannot seek to challenge a Resolution Plan after the same has been approved by the CoC.
- 17.** The law in this regard is no longer res integra. The Hon'ble Supreme Court in *Jaypee Kensington Boulevard Apartments Welfare Association & Ors. v. NBCC (India) Ltd. & Ors.*, (2022) 1 SCC 401, has categorically held that where homebuyers constitute a class of financial creditors and the Authorised Representative has voted in accordance with the decision of the class, an individual homebuyer cannot stand apart from the class and project his individual viewpoint or grievance by way of an objection or appeal against the Resolution Plan. The Hon'ble Supreme Court has further held that an individual homebuyer or an association of homebuyers cannot maintain a

challenge to the Resolution Plan once the homebuyers as a class have assented to it.

18. The aforesaid principle has also been reiterated by the Hon'ble NCLAT in *Mr. Ramprasad Vishvanath Gupta v. Mr. R. Dinesh Kumar Deora & Ors.*, Company Appeal (AT) (Insolvency) Nos. 442, 474 and 559 of 2025, wherein it was held that an appeal by a single homebuyer challenging approval of a Resolution Plan cannot be entertained once the plan has been approved by the requisite majority.

19. Accordingly, on this ground alone, the present Application is not maintainable. Nevertheless, since detailed objections have been raised by the Applicant concerning the legality and validity of the Resolution Plan, we consider it appropriate, in the interest of completeness, to examine the objections on merits as well.

20. The principal objection of the Applicant is that the Resolution Plan impermissibly creates a "class within a class" by differentiating between allottees having Builder Buyer Agreements ("BBA") and those having Memoranda of Understanding ("MoU"). It is contended that both are unit holders and, therefore, ought to receive identical treatment. We are unable to accept this contention.

21. The principal objection of the Applicant is that the Resolution Plan impermissibly creates a "class within a class" by differentiating between

allottees having Builder Buyer Agreements (“BBA”) and those having Memoranda of Understanding (“MoU”). It is contended that both are unit holders and, therefore, ought to receive identical treatment. We are unable to accept this contention.

22. The mere fact that both categories broadly fall within the category of real estate allottees does not mean that the Resolution Plan is prohibited from recognising distinctions arising from the nature and terms of the underlying contractual arrangements. The classification has to be examined with reference to the rights and obligations flowing from the respective documents and the treatment contemplated under the Resolution Plan.

23. In this regard, reliance can be placed on the judgment of the Hon’ble NCLAT in *Everlike Real Estate & Developers Pvt. Ltd. v. Mr. Mohit Goyal, CA, RP of Aadi Best Consortium Pvt. Ltd.*, Company Appeal (AT) (Insolvency) No. 978 of 2024, decided on 02.07.2024. The Hon’ble NCLAT examined the nature of the MoU and declined to treat the same at par with a BBA, recognising that the nature of the underlying document and the rights created thereunder could constitute a valid basis for classification under the Resolution Plan. Relevant excerpt of the judgement is reproduced hereinbelow:

“63. We note that there is suitable logic and rational in classification of homebuyers in 4 categories. The 1st category is applicable to those unit holders whose possession has been handed over. Next category is the

unit holders whose possession of units is pending on CIRP dates. The 3rd category is for the unit holders having cancelled units but having valid BBA and last residual category is for all unit holders having cancelled units without any valid BBA. Thus, first three categories are having valid BBA whereas the last category does not as the valid BBA.

65. Suffice to note that adequate justification of such classification has been given along with treatment to be made to different categories and cannot be treated as illegal or on the wrong side of law by any logic.

66. We also note that the commercial wisdom of the CoC cannot be challenged as stipulated in several judgments of this Appellate Tribunal as well as Hon'ble Supreme Court of India. In this connection we note that the COC has voted in favour of the Resolution Plan of Respondent No. 2 by 100% voting rights. At this juncture, it is significant to point out that the homebuyers as a class have also voted in favour of the Resolution Plan and thus any single homebuyer cannot be allowed to challenge the same.

We will also refer to the judgement passed by Hon'ble Supreme Court of India in case of Essar Steel India (Supra). The relevant portion of the said judgment is read as under :-

"88. By reading paragraph 77 (of Swiss Ribbons) de hors the earlier paragraphs, the Appellate Tribunal has fallen into grave error

Paragraph 76 clearly refers to the UNCITRAL Legislative Guide which makes it clear beyond any doubt that equitable treatment is only of similarly situated creditors. This being so, the observation in paragraph 77 cannot be read to mean that financial and operational creditors must be paid the same amounts in any resolution plan before it can pass muster. On the contrary, paragraph 77 itself makes it clear that there is a difference in payment of the debts of financial and operational creditors, operational creditors having to receive a minimum payment, being not less than liquidation value, which does not apply to financial creditors. The amended Regulation 38 set out in paragraph 77 again does not lead to the conclusion that financial and operational creditors, or secured and unsecured creditors, must be paid the same amounts, percentage wise, under the resolution plan before it can pass muster. Fair and equitable dealing of operational creditors' rights under the said Regulation involves the resolution plan stating as to how it has dealt with the interests of operational creditors, which is not the same thing as saying that they must be paid the same amount of their debt proportionately. Also, the fact that the operational creditors are given priority in payment over all financial creditors does not lead to the conclusion that such

payment must necessarily be the same recovery percentage as financial creditors. So long as the provisions of the Code and the Regulations have been met, it is the commercial wisdom of the requisite majority of the Committee of Creditors which is to negotiate and accept a resolution plan, which may involve differential payment to different classes of creditors, together with negotiating with a prospective resolution applicant for better or different terms which may also involve differences in distribution of amounts between different classes of creditors."

(Emphasis Supplied)

67. From above judgment of Essar Steel India (Supra), it is clear that once the CoC approves the Resolution Plan by the requisite majority, the same cannot be challenged by any individual unit buyer/homebuyer like the Appellant in the present appeal.

68. We note that the Hon'ble Supreme Court of India in the case of Jaypee Kensington (Supra) has given a clear ruling that no individual homebuyers has any locus to challenge resolution plan if the Resolution Plan which has been approved by voting of more than 50% of voting shares of homebuyers as a class.

The relevant part of the judgment reads as under :-

"210.5. Having regard to the scheme of IBC and the law declared by this Court, it is more than clear that once a decision is taken, either to reject or to approve a particular plan, by a vote of more than 50% of the voting share of the Financial Creditors within a class, the minority of those who vote, as also all others within that class, are bound by that decision. There is absolutely no scope for any particular person standing within that class to suggest any dissention as regards the vote the Resolution Plan. It is obvious that if this finality and binding force is not provided to the vote cast by the authorised representative over the resolution plan in accordance with the majority decision of the class he is authorised to represent, a Plan of Resolution involving large number of parties (like an excessively large number of homebuyers herein) may never fructify and the only result would be liquidation, which is not the prime target of the Code. In the larger benefit and for common good, the democratic principles of the determinative role of the opinion of majority have been duly incorporated in the scheme of the Code, particularly in the provisions relating to voting on the Resolution Plan and binding nature of the vote of authorised representative on the entire class of the Financial Creditor(s) he represents.

210.6. To put it in more clear terms qua the homebuyers, the operation of sub-Section (3-A) of Section 25-A of the Code is that their authorised representative is required to vote on the Resolution plan in accordance with the decision taken by a vote of more than 50% of the voting share of the homebuyer; and this 50% is counted with reference to the voting share of such homebuyers who choose to cast their vote for arriving at the particular decision. Once this process is carried out and the authorised representative has been handed down a particular decision by the requisite majority of voting share, he shall vote accordingly and his vote shall bind all the homebuyers, being of the single class he represents.

218. To sum up this part of discussion, in our view, after approval of the Resolution Plan of NBCC by CoC, where homebuyers as a class assented to the Plan, any individual homebuyer or association cannot maintain any challenge to the Resolution Plan nor could be treated as carrying any legal grievance."

(Emphasis Supplied)

69. This makes absolutely clear that the Resolution Plan may provide different categories of creditors and different payment schemes, as seen in the present case which is valid and legally enforceable. The ratio of the above judgment is very explicit and clear and therefore we find that

the Appellant has no locus in the present appeal to challenge the Resolution Plan or his classification in category 4 of the Resolution Plan on his own as individual homebuyer/ allottees.

70. As regard the plea of the Appellant that his claims were accepted by the Respondent No. 1 initially as homebuyer and the Respondents erred in classifying his claims in category 4 subsequently and therefore, the Impugned Order approving the Resolution Plan in classifying him into category 4 is perverse.”

- 24.** The Applicant has also contended that the allocation of Rs.12 Crores to BBA holders and Rs.2 Crores to MoU holders amounts to an unfair and prejudicial distribution. We find that the Applicant is essentially seeking a different allocation of the amount. Such a prayer concerns the commercial terms of the Resolution Plan. The requirement of fair and equitable treatment under Section 30(2) cannot be construed as requiring mathematical equality in distribution amongst every sub-category of creditors. What is required is compliance with the statutory parameters of the Code. The Applicant has failed to establish any violation of a mandatory requirement under Section 30(2) merely on the basis that the proposed recovery for his category is lower.
- 25.** Moreover, these aspects are related to the commercial wisdom of the CoC. It is a settled law that the Adjudicating Authority is not supposed to examine the merits of the decision taken under commercial wisdom.

26.Therefore, the Applicant's contention that differentiation between MoU holders and BBA holders is, per se, impermissible merely because both are unit holders cannot be accepted. The Code does not mandate that every allottee must necessarily receive identical treatment irrespective of the nature of the contractual arrangement governing the allotment. The Applicant has failed to demonstrate that the classification adopted in the Resolution Plan is founded on an arbitrary or extraneous consideration or that it is prohibited by any provision of the Code.

27.The objection under Regulation 37 of the CIRP Regulations is also without merit. The Applicant contends that the Resolution Plan provides an unfair one-time settlement and does not adequately deal with the debts payable to MoU holders. However, the Code does not prescribe that a Resolution Plan must necessarily adopt a particular mode of resolution or provide for completion of the project in the manner suggested by an individual allottee. The measures forming part of the Resolution Plan are required to be assessed as a whole and within the statutory framework. The Applicant has not demonstrated that the proposed settlement is prohibited under Regulation 37.

28.The Applicant has further alleged that the Resolution Professional and the Authorised Representative failed to consider and record the objections raised vide Email dated 28.10.2025. We note that the Applicant had raised

objections before the CoC proceedings and had sought that the same be conveyed to the CoC. However, the statutory scheme does not contemplate that every individual objection raised by a member of a class must necessarily result in acceptance or modification of the Resolution Plan. The Authorised Representative represents the class and the ultimate decision is taken in accordance with the voting mechanism prescribed under the Code. The mere non-acceptance of an individual allottee's objections does not render the CIRP or the Resolution Plan invalid.

29. Similarly, the Applicant's objection that the Resolution Plan does not contemplate revival or completion of Project Arrow and instead provides for a cash settlement and transfer of unsold inventory, thereby resulting in a "liquidation-like outcome", cannot be accepted as a ground for interference. The Code does not prescribe that a Resolution Plan must necessarily result in physical completion of every project of the Corporate Debtor. Whether the proposed commercial structure represents a viable resolution is primarily a matter for consideration by the CoC.

30. The contention that the Resolution Plan does not contain a credible construction model, feasibility analysis, funding proof, escrow mechanism or timelines backed by capacity also essentially invites this Adjudicating Authority to undertake a fresh commercial assessment of the Resolution Plan. The CoC, having considered the Resolution Plan and approved the same, is

the body entrusted with determining its commercial viability and feasibility. In the absence of any demonstrated violation of the mandatory requirements of the Code, such commercial assessment cannot be substituted by this Adjudicating Authority.

31. The Applicant has also objected to the proposal seeking waivers/approvals from the Department of Town and Country Planning, the Real Estate Regulatory Authority and other authorities. We find that the mere fact that the Resolution Applicant has proposed to obtain such approvals or waivers does not, by itself, render the Resolution Plan contrary to the Code. Any statutory approval required under the applicable law would necessarily remain subject to the decision of the concerned statutory authority.

32. The Applicant has further contended that Project Arrow was one of 13 projects, out of which 12 have allegedly been completed, and therefore fresh bids may result in a better Resolution Plan. This contention is speculative. The possibility that a fresh bidding process may result in a plan which is more beneficial to the Applicant cannot constitute a ground for setting aside a Resolution Plan duly approved by the CoC. The Code does not permit reopening of an approved Resolution Plan merely on the basis of a possibility that a better commercial proposal may be received.

33. The Applicant has raised concerns regarding the relationship between Mr. Advait Singh, one of the partners of M/s Siddharni Estate, and Mr. Ishan

Singh, stated to be the landowner of Project Arrow, and has alleged that such relationship gives rise to a conflict of interest and may render the Resolution Applicant ineligible under Section 29A of the Code. We note that the minutes of the CoC meeting record the disclosure regarding the relationship. However, mere relationship or common directorship, without establishing that the Resolution Applicant falls within any of the specific disqualifications enumerated under Section 29A, cannot by itself result in a finding of ineligibility. No material has been placed before us establishing that any particular clause of Section 29A is attracted at this stage. The objection, therefore, remains at the level of apprehension and cannot be a basis for setting aside the Resolution Plan. Further, the question of eligibility of M/s Siddharni Estate under Section 29A, including the effect, if any, of the relationship and common directorship referred to by the Applicant, shall also be considered by this Adjudicating Authority at the appropriate stage while examining the Resolution Plan. The present objection, therefore, does not warrant rejection of the Resolution Plan or invitation of fresh bids at this stage.

34. We accordingly find that the Applicant has failed to establish any violation of Section 30(2) of the Code or the applicable CIRP Regulations warranting interference with the Resolution Plan. The distinction between BBA holders and MoU holders is not, in itself, impermissible. The remaining objections

substantially relate to the commercial wisdom of the CoC and do not disclose any ground for judicial interference.

35.In view of the above discussion, we don't find any merit in the present Application.

36.Accordingly, the present Application bearing I.A. 6166 OF 2025 is **dismissed**.

No order as to costs.

-SD/-

**ATUL CHATURVEDI
MEMBER (TECHNICAL)**

-SD/-

**MAHENDRA KHANDELWAL
MEMBER (JUDICIAL)**

IN THE NATIONAL COMPANY LAW TRIBUNAL
NEW DELHI BENCH
COURT-IV

I.A. 6181 ND 2025

IN

C.P. IB 284 (PB) OF 2021

IN THE MATTER OF:

KANWALJIT GADHOK

...Applicant

Versus

**MR. NARENDRA KUMAR SHARMA
RESOLUTION PROFESSIONAL
SPAZE TOWERS PVT. LTD.**

...Respondent

AND IN THE MATTER OF:

VIVEK KHANNA & ORS

...Financial Creditors

Versus

SPAZE TOWERS PVT. LTD.

...Corporate Debtor

Order Pronounced on: 05.10.2026

CORAM:

**SHRI MAHENDRA KHANDELWAL
HON'BLE MEMBER (JUDICIAL)**

**SHRI ATUL CHATURVEDI
HON'BLE MEMBER (TECHNICAL)**

PRESENT:

For the Applicant : Mr. Aravind Subramaniam, Senior Advocate; Mr.
Upamanyu Sharma, Adv.

For the RP : Mr. Karan Gandhi, Mr. Sikhar Tiwari, Mr. Pratham
Bansal, Ms. Riya Jain, Ms. Vidhika Kapoor, Advs.

I.A 6181 ND 2025

IN

C.P. IB 284 (PB) OF 2021

Date of Order: 05.10.2026

Page 1 of 3

ORDER

PER: ATUL CHATURVED, MEMBER (TECHNICAL)

1. The present Application has been filed by the Applicant under Section 60(5) of the Insolvency and Bankruptcy Code, 2016 ("Code") read with Rule 11 of the National Company Law Tribunal Rules, 2016 ("NCLT Rules, 2016") seeking the following reliefs:

i. Pass an order taking on record the Objections being filed herein by the Applicant to the Resolution Plan resolved to be put up for approval before the Committee of Creditors, in the 14th Meeting held on 17.11.2025 & 18.11.2025 for Spaze Towers Private Limited;

ii. Pass an order rejecting the subject matter Resolution Plan for Spaze Towers Private Limited which has been put up for approval before the Committee of Creditors;

iii. Pass an order directing the Resolution Professional to invite fresh bids for a Resolution Plan which satisfies the parameters set out by the Insolvency and Bankruptcy Code, 2016 and associated regulations/guidelines; &

iv. Pass such further order(s) or grant relief as this Hon'ble Court may deem just and proper in the facts and circumstances of the case.

2. In view of the findings recorded by this Adjudicating Authority in I.A. No. 6166 of 2025, wherein identical/similar reliefs have already been considered and

the Application has been dismissed vide order dated 05.10.2026, we find no reason to take a different view in the present Application.

- 3.** Accordingly, following the findings and reasoning recorded in the said order, the present Application is also **dismissed**.

No order as to costs.

-SD/-

**ATUL CHATURVEDI
MEMBER (TECHNICAL)**

-SD/-

**MAHENDRA KHANDELWAL
MEMBER (JUDICIAL)**

IN THE NATIONAL COMPANY LAW TRIBUNAL
NEW DELHI BENCH
COURT-IV

I.A. 6209 ND 2025

IN

C.P. IB 284 (PB) OF 2021

IN THE MATTER OF:

SHRAVAN BHATIA HUF

...Applicant

Versus

**MR. NARENDRA KUMAR SHARMA
RESOLUTION PROFESSIONAL
SPAZE TOWERS PVT. LTD.**

...Respondent

AND IN THE MATTER OF:

VIVEK KHANNA & ORS

...Financial Creditors

Versus

SPAZE TOWERS PVT. LTD.

...Corporate Debtor

Order Pronounced on: 05.10.2026

CORAM:

**SHRI MAHENDRA KHANDELWAL
HON'BLE MEMBER (JUDICIAL)**

**SHRI ATUL CHATURVEDI
HON'BLE MEMBER (TECHNICAL)**

PRESENT:

For the Applicant : Mr. Aravind Subramaniam, Senior Advocate; Mr.
Upamanyu Sharma, Adv.

For the RP : Mr. Karan Gandhi, Mr. Sikhar Tiwari, Mr. Pratham
Bansal, Ms. Riya Jain, Ms. Vidhika Kapoor, Adv.

I.A 6209 ND 2025

IN

C.P. IB 284 (PB) OF 2021

Date of Order: 05.10.2026

Page 1 of 3

ORDER

PER: ATUL CHATURVEDI, MEMBER (TECHNICAL)

1. The present Application has been filed by the Applicant under Section 60(5) of the Insolvency and Bankruptcy Code, 2016 ("Code") read with Rule 11 of the National Company Law Tribunal Rules, 2016 ("NCLT Rules, 2016") seeking the following reliefs:

- i. Pass an order taking on record the Objections being filed herein by the Applicant to the Resolution Plan resolved to be put up for approval before the Committee of Creditors, in the 14th Meeting held on 17.11.2025 & 18.11.2025 for Spaze Towers Private Limited;*
- ii. Pass an order rejecting the subject matter Resolution Plan for Spaze Towers Private Limited which has been put up for approval before the Committee of Creditors;*
- iii. Pass an order directing the Resolution Professional to invite fresh bids for a Resolution Plan which satisfies the parameters set out by the Insolvency and Bankruptcy Code, 2016 and associated regulations/guidelines; &*
- iv. Pass such further order(s) or grant relief as this Hon'ble Court may deem just and proper in the facts and circumstances of the case.*

2. In view of the findings recorded by this Adjudicating Authority in I.A. No. 6166 of 2025, wherein identical/similar reliefs have already been considered and

the Application has been dismissed vide order dated 05.10.2026, we find no reason to take a different view in the present Application.

3. Accordingly, following the findings and reasoning recorded in the said order, the present Application is also **dismissed**.

No order as to costs.

-SD/-

ATUL CHATURVEDI
MEMBER (TECHNICAL)

-SD/-

MAHENDRA KHANDELWAL
MEMBER (JUDICIAL)

IN THE NATIONAL COMPANY LAW TRIBUNAL
NEW DELHI BENCH
COURT-IV

I.A. 6056 ND 2025

IN

C.P. IB 284 (PB) OF 2021

IN THE MATTER OF:

JYOTI AHUJA

...Applicant

Versus

**MR. NARENDRA KUMAR SHARMA
RESOLUTION PROFESSIONAL
SPAZE TOWERS PVT. LTD.**

...Respondent

AND IN THE MATTER OF:

VIVEK KHANNA & ORS

...Financial Creditors

Versus

SPAZE TOWERS PVT. LTD.

...Corporate Debtor

Order Pronounced on: 05.10.2026

CORAM:

**SHRI MAHENDRA KHANDELWAL
HON'BLE MEMBER (JUDICIAL)**

**SHRI ATUL CHATURVEDI
HON'BLE MEMBER (TECHNICAL)**

PRESENT:

For the Applicant : Mr. Aravind Subramaniam, Senior Advocate; Mr.
Upamanyu Sharma, Adv.

For the RP : Mr. Karan Gandhi, Mr. Sikhar Tiwari, Mr. Pratham
Bansal, Ms. Riya Jain, Ms. Vidhika Kapoor, Advs.

I.A 6056 ND 2025

IN

C.P. IB 284 (PB) OF 2021

Date of Order: 05.10.2026

Page 1 of 3

ORDER

PER: ATUL CHATURVEDI, MEMBER (TECHNICAL)

1. The present Application has been filed by the Applicant under Section 60(5) of the Insolvency and Bankruptcy Code, 2016 ("Code") read with Rule 11 of the National Company Law Tribunal Rules, 2016 ("NCLT Rules, 2016") seeking the following reliefs:

i. Pass an order taking on record the Objections being filed herein by the Applicant to the Resolution Plan resolved to be put up for approval before the Committee of Creditors, in the 14th Meeting held on 17.11.2025 & 18.11.2025 for Spaze Towers Private Limited;

ii. Pass an order rejecting the subject matter Resolution Plan for Spaze Towers Private Limited which has been put up for approval before the Committee of Creditors;

iii. Pass an order directing the Resolution Professional to invite fresh bids for a Resolution Plan which satisfies the parameters set out by the Insolvency and Bankruptcy Code, 2016 and associated regulations/guidelines; &

iv. Pass such further order(s) or grant relief as this Hon'ble Court may deem just and proper in the facts and circumstances of the case.

2. In view of the findings recorded by this Adjudicating Authority in I.A. No. 6166 of 2025, wherein identical/similar reliefs have already been considered and

the Application has been dismissed vide order dated 05.10.2026, we find no reason to take a different view in the present Application.

- 3.** Accordingly, following the findings and reasoning recorded in the said order, the present Application is also **dismissed**.

No order as to costs.

-SD/-

**ATUL CHATURVEDI
MEMBER (TECHNICAL)**

-SD/-

**MAHENDRA KHANDELWAL
MEMBER (JUDICIAL)**

IN THE NATIONAL COMPANY LAW TRIBUNAL
NEW DELHI BENCH
COURT-IV

I.A. 168 ND 2026

IN

C.P. IB 284 (PB) OF 2021

IN THE MATTER OF:

RAJINDER KAUR

...Applicant

Versus

**MR. NARENDRA KUMAR SHARMA
RESOLUTION PROFESSIONAL
SPAZE TOWERS PVT. LTD.**

...Respondent

AND IN THE MATTER OF:

VIVEK KHANNA & ORS

...Financial Creditors

Versus

SPAZE TOWERS PVT. LTD.

...Corporate Debtor

Order Pronounced on: 05.10.2026

CORAM:

**SHRI MAHENDRA KHANDELWAL
HON'BLE MEMBER (JUDICIAL)**

**SHRI ATUL CHATURVEDI
HON'BLE MEMBER (TECHNICAL)**

PRESENT:

For the Applicant : Mr. Aravind Subramaniam, Senior Advocate; Mr.
Upamanyu Sharma, Adv.

For the RP : Mr. Karan Gandhi, Mr. Sikhar Tiwari, Mr. Pratham
Bansal, Ms. Riya Jain, Ms. Vidhika Kapoor, Adv.

I.A 168 ND 2026

IN

C.P. IB 284 (PB) OF 2021

Date of Order: 05.10.2026

Page 1 of 3

ORDER

PER: ATUL CHATURVEDI, MEMBER (TECHNICAL)

1. The present Application has been filed by the Applicant under Section 60(5) of the Insolvency and Bankruptcy Code, 2016 ("Code") read with Rule 11 of the National Company Law Tribunal Rules, 2016 ("NCLT Rules, 2016") seeking the following reliefs:

i. Pass an order taking on record the Objections being filed herein by the Applicant to the Resolution Plan resolved to be put up for approval before the Committee of Creditors, in the 14th Meeting held on 17.11.2025 & 18.11.2025 for Spaze Towers Private Limited;

ii. Pass an order rejecting the subject matter Resolution Plan for Spaze Towers Private Limited which has been put up for approval before the Committee of Creditors;

iii. Pass an order directing the Resolution Professional to invite fresh bids for a Resolution Plan which satisfies the parameters set out by the Insolvency and Bankruptcy Code, 2016 and associated regulations/guidelines; &

iv. Pass such further order(s) or grant relief as this Hon'ble Court may deem just and proper in the facts and circumstances of the case.

2. In view of the findings recorded by this Adjudicating Authority in I.A. No. 6166 of 2025, wherein identical/similar reliefs have already been considered and

the Application has been dismissed vide order dated 05.10.2026, we find no reason to take a different view in the present Application.

- 3.** Accordingly, following the findings and reasoning recorded in the said order, the present Application is also **dismissed**.

No order as to costs.

-SD/-

**ATUL CHATURVEDI
MEMBER (TECHNICAL)**

-SD/-

**MAHENDRA KHANDELWAL
MEMBER (JUDICIAL)**

IN THE NATIONAL COMPANY LAW TRIBUNAL
NEW DELHI BENCH
COURT-IV

I.A. 179 ND 2026

IN

C.P. IB 284 (PB) OF 2021

IN THE MATTER OF:

GAGANDEEP KAUR

...Applicant

Versus

**MR. NARENDRA KUMAR SHARMA
RESOLUTION PROFESSIONAL
SPAZE TOWERS PVT. LTD.**

...Respondent

AND IN THE MATTER OF:

VIVEK KHANNA & ORS

...Financial Creditors

Versus

SPAZE TOWERS PVT. LTD.

...Corporate Debtor

Order Pronounced on: 05.10.2026

CORAM:

**SHRI MAHENDRA KHANDELWAL
HON'BLE MEMBER (JUDICIAL)**

**SHRI ATUL CHATURVEDI
HON'BLE MEMBER (TECHNICAL)**

PRESENT:

For the Applicant : Mr. Aravind Subramaniam, Senior Advocate; Mr.
Upamanyu Sharma, Adv.

For the RP : Mr. Karan Gandhi, Mr. Sikhar Tiwari, Mr. Pratham
Bansal, Ms. Riya Jain, Ms. Vidhika Kapoor, Advs.

I.A 179 ND 2026

IN

C.P. IB 284 (PB) OF 2021

Date of Order: 05.10.2026

Page 1 of 3

ORDER

PER: ATUL CHATURVEDI, MEMBER (TECHNICAL)

1. The present Application has been filed by the Applicant under Section 60(5) of the Insolvency and Bankruptcy Code, 2016 ("Code") read with Rule 11 of the National Company Law Tribunal Rules, 2016 ("NCLT Rules, 2016") seeking the following reliefs:

i. Pass an order taking on record the Objections being filed herein by the Applicant to the Resolution Plan resolved to be put up for approval before the Committee of Creditors, in the 14th Meeting held on 17.11.2025 & 18.11.2025 for Spaze Towers Private Limited;

ii. Pass an order rejecting the subject matter Resolution Plan for Spaze Towers Private Limited which has been put up for approval before the Committee of Creditors;

iii. Pass an order directing the Resolution Professional to invite fresh bids for a Resolution Plan which satisfies the parameters set out by the Insolvency and Bankruptcy Code, 2016 and associated regulations/guidelines; &

iv. Pass such further order(s) or grant relief as this Hon'ble Court may deem just and proper in the facts and circumstances of the case.

2. In view of the findings recorded by this Adjudicating Authority in I.A. No. 6166 of 2025, wherein identical/similar reliefs have already been considered and

I.A 179 ND 2026

IN

C.P. IB 284 (PB) OF 2021

Date of Order: 05.10.2026

the Application has been dismissed vide order dated 05.10.2026, we find no reason to take a different view in the present Application.

- 3.** Accordingly, following the findings and reasoning recorded in the said order, the present Application is also **dismissed**.

No order as to costs.

-SD/-

**ATUL CHATURVEDI
MEMBER (TECHNICAL)**

-SD/-

**MAHENDRA KHANDELWAL
MEMBER (JUDICIAL)**

IN THE NATIONAL COMPANY LAW TRIBUNAL
NEW DELHI BENCH
COURT-IV

I.A. 185 ND 2026
IN
C.P. IB 284 (PB) OF 2021

IN THE MATTER OF:

ANURADHA PRASAD

...Applicant No. 1

SAN.JEEV PRASAD

...Applicant No. 1

Versus

MR. NARENDRA KUMAR SHARMA
RESOLUTION PROFESSIONAL
SPACE TOWERS PVT. LTD.

...Respondent

AND IN THE MATTER OF:

VIVEK KHANNA & ORS

...Financial Creditors

Versus

SPACE TOWERS PVT. LTD.

...Corporate Debtor

Order Pronounced on: 05.10.2026

CORAM:

SHRI MAHENDRA KHANDELWAL
HON'BLE MEMBER (JUDICIAL)

SHRI ATUL CHATURVEDI
HON'BLE MEMBER (TECHNICAL)

PRESENT:

For the Applicant : Mr. Aravind Subramaniam, Senior Advocate, Mr.
Upamanyu Sharma, Advs.

For the RP : Mr. Karan Gandhi, Mr. Sikhar Tiwari, Mr. Pratham

ORDER

PER: ATUL CHATURVEDI, MEMBER (TECHNICAL)

1. The present Application has been filed by the Applicants under Section 60(5) of the Insolvency and Bankruptcy Code, 2016 ("Code") read with Rule 11 of the National Company Law Tribunal Rules, 2016 ("NCLT Rules, 2016") seeking the following reliefs:

- i. Pass an order taking on record the Objections being filed herein by the Applicants to the Resolution Plan resolved to be put up for approval before the Committee of Creditors, in the 14th Meeting held on 17.11.2025 & 18.11.2025 for Spaze Towers Private Limited;*
- ii. Pass an order rejecting the subject matter Resolution Plan for Spaze Towers Private Limited which has been put up for approval before the Committee of Creditors;*
- iii. Pass an order directing the Resolution Professional to invite fresh bids for a Resolution Plan which satisfies the parameters set out by the Insolvency and Bankruptcy Code, 2016 and associated regulations/guidelines; &*
- iv. Pass such further order(s) or grant relief as this Hon'ble Court may deem just and proper in the facts and circumstances of the case.*

2. In view of the findings recorded by this Adjudicating Authority in I.A. No. 6166 of 2025, wherein identical/similar reliefs have already been considered and the Application has been dismissed vide order dated 05.10.2026, we find no reason to take a different view in the present Application.
3. Accordingly, following the findings and reasoning recorded in the said order, the present Application is also **dismissed**.

No order as to costs.

-SD/-

**ATUL CHATURVEDI
MEMBER (TECHNICAL)**

-SD/-

**MAHENDRA KHANDELWAL
MEMBER (JUDICIAL)**

IN THE NATIONAL COMPANY LAW TRIBUNAL
NEW DELHI BENCH
COURT-IV

I.A. 332 ND 2026
IN
C.P. IB 284 (PB) OF 2021

IN THE MATTER OF:

RAJBIR CHAMAN LAL

...Applicant

Versus

MR. NARENDRA KUMAR SHARMA
RESOLUTION PROFESSIONAL
SPACE TOWERS PVT. LTD.

...Respondent

AND IN THE MATTER OF:

VIVEK KHANNA & ORS

...Financial Creditors

Versus

SPACE TOWERS PVT. LTD.

...Corporate Debtor

Order Pronounced on: 05.10.2026

CORAM:

SHRI MAHENDRA KHANDELWAL
HON'BLE MEMBER (JUDICIAL)

SHRI ATUL CHATURVEDI
HON'BLE MEMBER (TECHNICAL)

PRESENT:

For the Applicant : Mr. Aravind Subramaniam, Senior Advocate, Mr.
Upamanyu Sharma, Adv.

For the RP : Mr. Karan Gandhi, Mr. Sikhar Tiwari, Mr. Pratham
Bansal, Ms. Riya Jain, Ms. Vidhika Kapoor, Advs.

ORDER

PER: ATUL CHATURVEDI, MEMBER (TECHNICAL)

1. The present Application has been filed by the Applicant under Section 60(5) of the Insolvency and Bankruptcy Code, 2016 ("Code") read with Rule 11 of the National Company Law Tribunal Rules, 2016 ("NCLT Rules, 2016") seeking the following reliefs:

- i. Pass an order taking on record the Objections being filed herein by the Applicant to the Resolution Plan resolved to be put up for approval before the Committee of Creditors, in the 14th Meeting held on 17.11.2025 & 18.11.2025 for Spaze Towers Private Limited;*
- ii. Pass an order rejecting the subject matter Resolution Plan for Spaze Towers Private Limited which has been put up for approval before the Committee of Creditors;*
- iii. Pass an order directing the Resolution Professional to invite fresh bids for a Resolution Plan which satisfies the parameters set out by the Insolvency and Bankruptcy Code, 2016 and associated regulations/guidelines; &*
- iv. Pass such further order(s) or grant relief as this Hon'ble Court may deem just and proper in the facts and circumstances of the case.*

2. In view of the findings recorded by this Adjudicating Authority in I.A. No. 6166 of 2025, wherein identical/similar reliefs have already been considered and

the Application has been dismissed vide order dated 05.10.2026, we find no reason to take a different view in the present Application.

- 3.** Accordingly, following the findings and reasoning recorded in the said order, the present Application is also **dismissed**.

No order as to costs.

-SD/-

**ATUL CHATURVEDI
MEMBER (TECHNICAL)**

-SD/-

**MAHENDRA KHANDELWAL
MEMBER (JUDICIAL)**

IN THE NATIONAL COMPANY LAW TRIBUNAL
NEW DELHI BENCH
COURT-IV

I.A. 352 ND 2026
IN
C.P. IB 284 (PB) OF 2021

IN THE MATTER OF:

JONAKI ARORA

...Applicant

Versus

MR. NARENDRA KUMAR SHARMA
RESOLUTION PROFESSIONAL
SPACE TOWERS PVT. LTD.

...Respondent

AND IN THE MATTER OF:

VIVEK KHANNA & ORS

...Financial Creditors

Versus

SPACE TOWERS PVT. LTD.

...Corporate Debtor

Order Pronounced on: 05.10.2026

CORAM:

SHRI MAHENDRA KHANDELWAL
HON'BLE MEMBER (JUDICIAL)

SHRI ATUL CHATURVEDI
HON'BLE MEMBER (TECHNICAL)

PRESENT:

For the Applicant : Mr. Aravind Subramaniam, Senior Advocate, Mr.
Upamanyu Sharma, Adv.

For the RP : Mr. Karan Gandhi, Mr. Sikhar Tiwari, Mr. Pratham
Bansal, Ms. Riya Jain, Ms. Vidhika Kapoor, Advs.

ORDER

PER: ATUL CHATURVEDI, MEMBER (TECHNICAL)

1. The present Application has been filed by the Applicant under Section 60(5) of the Insolvency and Bankruptcy Code, 2016 ("Code") read with Rule 11 of the National Company Law Tribunal Rules, 2016 ("NCLT Rules, 2016") seeking the following reliefs:

- i. Pass an order taking on record the Objections being filed herein by the Applicant to the Resolution Plan resolved to be put up for approval before the Committee of Creditors, in the 14th Meeting held on 17.11.2025 & 18.11.2025 for Spaze Towers Private Limited;*
- ii. Pass an order rejecting the subject matter Resolution Plan for Spaze Towers Private Limited which has been put up for approval before the Committee of Creditors;*
- iii. Pass an order directing the Resolution Professional to invite fresh bids for a Resolution Plan which satisfies the parameters set out by the Insolvency and Bankruptcy Code, 2016 and associated regulations/guidelines; &*
- iv. Pass such further order(s) or grant relief as this Hon'ble Court may deem just and proper in the facts and circumstances of the case.*

2. In view of the findings recorded by this Adjudicating Authority in I.A. No. 6166 of 2025, wherein identical/similar reliefs have already been considered and

the Application has been dismissed vide order dated 05.10.2026, we find no reason to take a different view in the present Application.

- 3.** Accordingly, following the findings and reasoning recorded in the said order, the present Application is also **dismissed**.

No order as to costs.

-SD/-

**ATUL CHATURVEDI
MEMBER (TECHNICAL)**

-SD/-

**MAHENDRA KHANDELWAL
MEMBER (JUDICIAL)**

IN THE NATIONAL COMPANY LAW TRIBUNAL
NEW DELHI BENCH
COURT-IV

I.A. 385 ND 2026
IN
C.P. IB 284 (PB) OF 2021

IN THE MATTER OF:

VINOD DAHIYA

...Applicant

Versus

MR. NARENDRA KUMAR SHARMA
RESOLUTION PROFESSIONAL
SPACE TOWERS PVT. LTD.

...Respondent

AND IN THE MATTER OF:

VIVEK KHANNA & ORS

...Financial Creditors

Versus

SPACE TOWERS PVT. LTD.

...Corporate Debtor

Order Pronounced on: 05.10.2026

CORAM:

SHRI MAHENDRA KHANDELWAL
HON'BLE MEMBER (JUDICIAL)

SHRI ATUL CHATURVEDI
HON'BLE MEMBER (TECHNICAL)

PRESENT:

For the Applicant : Mr. Aravind Subramaniam, Senior Advocate, Mr.
Upamanyu Sharma, Adv.

For the RP : Mr. Karan Gandhi, Mr. Sikhar Tiwari, Mr. Pratham
Bansal, Ms. Riya Jain, Ms. Vidhika Kapoor, Advs.

ORDER

PER: ATUL CHATURVEDI, MEMBER (TECHNICAL)

1. The present Application has been filed by the Applicant under Section 60(5) of the Insolvency and Bankruptcy Code, 2016 ("Code") read with Rule 11 of the National Company Law Tribunal Rules, 2016 ("NCLT Rules, 2016") seeking the following reliefs:

- i. Pass an order taking on record the Objections being filed herein by the Applicant to the Resolution Plan resolved to be put up for approval before the Committee of Creditors, in the 14th Meeting held on 17.11.2025 & 18.11.2025 for Spaze Towers Private Limited;*
- ii. Pass an order rejecting the subject matter Resolution Plan for Spaze Towers Private Limited which has been put up for approval before the Committee of Creditors;*
- iii. Pass an order directing the Resolution Professional to invite fresh bids for a Resolution Plan which satisfies the parameters set out by the Insolvency and Bankruptcy Code, 2016 and associated regulations/guidelines; &*
- iv. Pass such further order(s) or grant relief as this Hon'ble Court may deem just and proper in the facts and circumstances of the case.*

2. In view of the findings recorded by this Adjudicating Authority in I.A. No. 6166 of 2025, wherein identical/similar reliefs have already been considered and

the Application has been dismissed vide order dated 05.10.2026, we find no reason to take a different view in the present Application.

- 3.** Accordingly, following the findings and reasoning recorded in the said order, the present Application is also **dismissed**.

No order as to costs.

-SD/-

**ATUL CHATURVEDI
MEMBER (TECHNICAL)**

-SD/-

**MAHENDRA KHANDELWAL
MEMBER (JUDICIAL)**

IN THE NATIONAL COMPANY LAW TRIBUNAL
NEW DELHI BENCH
COURT-IV

I.A. 504 ND 2026
IN
C.P. IB 284 (PB) OF 2021

IN THE MATTER OF:

AJAY KUMAR JAIN

...Applicant No. 1

JAYSHREE JAIN

...Applicant No. 2

Versus

MR. NARENDRA KUMAR SHARMA
RESOLUTION PROFESSIONAL
SPACE TOWERS PVT. LTD.

...Respondent

AND IN THE MATTER OF:

VIVEK KHANNA & ORS

...Financial Creditors

Versus

SPACE TOWERS PVT. LTD.

...Corporate Debtor

Order Pronounced on: 05.10.2026

CORAM:

SHRI MAHENDRA KHANDELWAL
HON'BLE MEMBER (JUDICIAL)

SHRI ATUL CHATURVEDI
HON'BLE MEMBER (TECHNICAL)

PRESENT:

For the Applicant : Mr. Aravind Subramaniam, Senior Advocate, Mr.
Upamanyu Sharma, Adv.

For the RP : Mr. Karan Gandhi, Mr. Sikhar Tiwari, Mr. Pratham
Bansal, Ms. Riya Jain, Ms. Vidhika Kapoor, Adv.

ORDER

PER: ATUL CHATURVEDI, MEMBER (TECHNICAL)

1. The present Application has been filed by the Applicants under Section 60(5) of the Insolvency and Bankruptcy Code, 2016 ("Code") read with Rule 11 of the National Company Law Tribunal Rules, 2016 ("NCLT Rules, 2016") seeking the following reliefs:

i. Pass an order taking on record the Objections being filed herein by the Applicants to the Resolution Plan resolved to be put up for approval before the Committee of Creditors, in the 14th Meeting held on 17.11.2025 & 18.11.2025 for Spaze Towers Private Limited;

ii. Pass an order rejecting the subject matter Resolution Plan for Spaze Towers Private Limited which has been put up for approval before the Committee of Creditors;

iii. Pass an order directing the Resolution Professional to invite fresh bids for a Resolution Plan which satisfies the parameters set out by the Insolvency and Bankruptcy Code, 2016 and associated regulations/guidelines; &

iv. Pass such further order(s) or grant relief as this Hon'ble Court may deem just and proper in the facts and circumstances of the case.

2. In view of the findings recorded by this Adjudicating Authority in I.A. No. 6166 of 2025, wherein identical/similar reliefs have already been considered and

the Application has been dismissed vide order dated 05.10.2026, we find no reason to take a different view in the present Application.

- 3.** Accordingly, following the findings and reasoning recorded in the said order, the present Application is also **dismissed**.

No order as to costs.

-SD/-

**ATUL CHATURVEDI
MEMBER (TECHNICAL)**

-SD/-

**MAHENDRA KHANDELWAL
MEMBER (JUDICIAL)**

IN THE NATIONAL COMPANY LAW TRIBUNAL
NEW DELHI BENCH
COURT-IV

I.A. 508 ND 2026
IN
C.P. IB 284 (PB) OF 2021

IN THE MATTER OF:

RAMITA BATRA,

...Applicant No. 1

ANJU CHOUDHARY

...Applicant No. 2

Versus

MR. NARENDRA KUMAR SHARMA
RESOLUTION PROFESSIONAL
SPAZE TOWERS PVT. LTD.

...Respondent

AND IN THE MATTER OF:

VIVEK KHANNA & ORS

...Financial Creditors

Versus

SPAZE TOWERS PVT. LTD.

...Corporate Debtor

Order Pronounced on: 05.10.2026

CORAM:

SHRI MAHENDRA KHANDELWAL
HON'BLE MEMBER (JUDICIAL)

SHRI ATUL CHATURVEDI
HON'BLE MEMBER (TECHNICAL)

PRESENT:

For the Applicant : Mr. Aravind Subramaniam, Senior Advocate, Mr.
Upamanyu Sharma, Adv.

For the RP : Mr. Karan Gandhi, Mr. Sikhar Tiwari, Mr. Pratham
Bansal, Ms. Riya Jain, Ms. Vidhika Kapoor, Advs.

ORDER

PER: ATUL CHATURVEDI, MEMBER (TECHNICAL)

1. The present Application has been filed by the Applicants under Section 60(5) of the Insolvency and Bankruptcy Code, 2016 ("Code") read with Rule 11 of the National Company Law Tribunal Rules, 2016 ("NCLT Rules, 2016") seeking the following reliefs:

i. Pass an order taking on record the Objections being filed herein by the Applicants to the Resolution Plan resolved to be put up for approval before the Committee of Creditors, in the 14th Meeting held on 17.11.2025 & 18.11.2025 for Spaze Towers Private Limited;

ii. Pass an order rejecting the subject matter Resolution Plan for Spaze Towers Private Limited which has been put up for approval before the Committee of Creditors;

iii. Pass an order directing the Resolution Professional to invite fresh bids for a Resolution Plan which satisfies the parameters set out by the Insolvency and Bankruptcy Code, 2016 and associated regulations/guidelines; &

iv. Pass such further order(s) or grant relief as this Hon'ble Court may deem just and proper in the facts and circumstances of the case.

2. In view of the findings recorded by this Adjudicating Authority in I.A. No. 6166 of 2025, wherein identical/similar reliefs have already been considered and

the Application has been dismissed vide order dated 05.10.2026, we find no reason to take a different view in the present Application.

- 3.** Accordingly, following the findings and reasoning recorded in the said order, the present Application is also **dismissed**.

No order as to costs.

-SD/-

**ATUL CHATURVEDI
MEMBER (TECHNICAL)**

-SD/-

**MAHENDRA KHANDELWAL
MEMBER (JUDICIAL)**

IN THE NATIONAL COMPANY LAW TRIBUNAL
NEW DELHI BENCH
COURT-IV

I.A. 5202 ND 2025

IN

C.P. IB 284 (PB) OF 2021

IN THE MATTER OF:

Consortium of AKB Ventures LLP

...Applicant No. 1

And

Sustainable Projects Private Limited

...Applicant No. 2

Versus

**Narender Kumar Sharma
Resolution Professional of
Spaze Towers Private Limited**

...Respondent No.1

Mr. Devendra Bhardwaj

...Respondent No. 2

Mr. Vivek Sharma

...Respondent No. 3

AND IN THE MATTER OF:

VIVEK KHANNA & ORS

...Financial Creditors

Versus

SPAZE TOWERS PVT. LTD.

...Corporate Debtor

Order Pronounced on: 05.10.2026

CORAM:

**SHRI MAHENDRA KHANDELWAL
HON'BLE MEMBER (JUDICIAL)**

**SHRI ATUL CHATURVEDI
HON'BLE MEMBER (TECHNICAL)**

PRESENT:

For the Applicant : Mr. Gurcharan Singh, Mr. Amardeep Singh, Advs.

For the RP : Mr. Karan Gandhi, Mr. Sikhar Tiwari, Mr. Pratham
Bansal, Ms. Riya Jain, Ms. Vidhika Kapoor, Advs.

I.A 5202 ND 2025

IN

C.P. IB 284 (PB) OF 2021

Date of Order: 05.10.2026

Page 1 of 24

ORDER

PER: ATUL CHATURVEDI, MEMBER (TECHNICAL)

1. The present Application has been filed by the Applicants under the provisions of Section 60 (5) of the Insolvency and Bankruptcy Code, 2016 read with Rule 11 of the National Company Law Tribunal Rules, 2016 ("NCLT Rules, 2016") seeking the following reliefs:

- (a) pass an immediate order declaring the outcome of the CoC voting process scheduled from 19.10.2025 to 21.10.2025 as null and void;*
- (b) direct the immediate removal of the Respondent, Mr. Narender Kumar Sharma, as the Resolution Professional of the Corporate Debtor for his biased, collusive, and partial conduct;*
- (c) direct for appointment of a new, independent Resolution Professional to take charge of the CIRP;*
- (d) direct an investigation by the IBBI into the conduct of the Respondent and his appointee, Mr. Devender Bardwaj, Mr. Vikas Sharma for illegally influencing the CoC vote;*
- (e) direct the newly appointed Resolution Professional to provide the Applicant with all pending information and clarifications as sought by them (in terms of the prayers in their earlier application);*
- (f) direct the initiation of a new, fair voting process with a reasonable timeline that does not coincide with national holidays, ensuring all creditors have a fair opportunity to participate;*

SUBMISSIONS OF THE APPLICANTS:

2. On 29.05.2025, the Respondent published Form-G in compliance with Section 25(2)(h) of the Insolvency and Bankruptcy Code, 2016, inviting

I.A 5202 ND 2025

IN

C.P. IB 284 (PB) OF 2021

Date of Order: 05.10.2026

Expressions of Interest (“EOI”) from prospective resolution applicants by 12.06.2025. The Form-G was issued under three categories, namely: (i) Category 1 – twelve (12) projects along with the Corporate Debtor; (ii) Category 2 – thirteen (13) projects along with the Corporate Debtor; and (iii) Category 3 – only Project “Arrow” without the Corporate Debtor. The Applicant submitted its EOI under Category 1 on 12.06.2025, involving twelve (12) projects along with the Corporate Debtor and deposited INR 50,00,000/- towards the Earnest Money Deposit (“EMD”).

3. The Applicant was included in the final list of Prospective Resolution Applicants (“PRA”) issued on 07.07.2025. Thereafter, vide email dated 12.07.2025, the Respondent shared the Virtual Data Room (“VDR”) with the Applicant, through which it commenced due diligence of the Corporate Debtor.
4. While examining the documents provided in the VDR, the Applicant identified several discrepancies and queries with respect to the entries in the provisional Balance Sheet as on the initiation of CIRP, causing problems in preparing a Resolution Plan. The Applicant, vide various emails, raised specific queries and requested additional documents. However, the Resolution Professional failed to provide the same and has been in collusion with the consortium of Ex-Directors to derail the CIRP and handover the Corporate Debtor to the ex-promoters who were responsible for initiation of the CIRP.
5. Despite the failure of the Resolution Professional to provide the requested documents, the Applicant submitted a revised Resolution Plan on 01.10.2025, on the basis of incomplete information, as the Resolution Professional failed

to fulfil his duties and obligations under Section 208(2)(a) and (e) of the Code and the Code of Conduct under Regulation 7(2)(h) of the IBBI (Insolvency Professionals) Regulations, 2016.

6. It is submitted that only two PRAs, namely the Applicant and the consortium of ex-promoters, submitted Resolution Plans. The RP's conduct has systematically destroyed the level playing field, violated the principles of natural justice, and tainted the entire CIRP, rendering the ongoing voting process non-est and void. The Applicant seeks intervention of this Tribunal to prevent irreparable prejudice and restore the sanctity of the Code.

Illegal canvassing and lobbying by RP's appointee to influence CoC voting

7. The Respondent's bias is not limited to information asymmetry but extends to actively influencing the CoC vote. Employees of the Corporate Debtor, under the direct supervision and control of the Respondent, are allegedly canvassing for the ex-promoters' plan. Mr. Devender Bardwaj and Mr. Vikas Sharma, currently employed by the Corporate Debtor and paid from CIRP costs, are alleged to have engaged with CoC members by forwarding messages, making calls and circulating materials to influence the vote in favour of the ex-promoters.
8. The Applicant relies upon a WhatsApp message received by a homebuyer, Dr. Rajeev Ahuja, and an email exchange dated 19.10.2025, wherein the alleged canvassing by Mr. Devender was brought to the notice of the AR and the Respondent. The Respondent, while stating that the staff belonged to the Corporate Debtor and not the RP, also acknowledged that forwarding such messages by an employee of the Corporate Debtor was "not in the right spirit".

The Applicant contends that employees of the Corporate Debtor operate under the RP's authority during CIRP and that failure to stop, investigate or discipline such conduct constitutes a dereliction of statutory duty.

9. Such active lobbying by personnel under the RP's control, according to the Applicant, vitiates the entire voting process and constitutes a breach of the RP's duty of neutrality, independence and impartiality under Section 208(2)(a) and (e) of the Code and Regulation 7(2)(h) of the IBBI (Insolvency Professionals) Regulations, 2016. Reliance is placed on *Swiss Ribbons Pvt. Ltd. v. Union of India* (2019), to contend that the RP is required to act as an independent facilitator.

Gross information asymmetry and deliberate withholding of information

10. The RP has a statutory duty under Section 25(2)(g) of the Code and Regulation 36 of the CIRP Regulations to provide all PRAs equal access to relevant information and ensure a fair and competitive process. The Applicant states that it had earlier filed I.A. No. 4728/2025, on or about 19.09.2025, bringing the RP's non-cooperation to the notice of this Tribunal.
11. Through various emails, the Applicant sought, inter alia, Tally data/Trial Balance of the Corporate Debtor, details of pending work tower-wise, bifurcation of claims, BBA copies, details of unsold units, and clarifications regarding discrepancies in the Information Memorandum ("IM") and RERA website. The Respondent allegedly withheld material information, provided incomplete data, or denied access citing "confidentiality", despite the Applicant having executed the requisite undertaking. This, according to the

Applicant, severely prejudiced its ability to formulate a comprehensive Resolution Plan.

- 12.** The prejudice is stated to be aggravated as the only competing PRA is a consortium of the ex-directors of the Corporate Debtor, who, by virtue of their previous positions, already possess the information denied to the Applicant. Further, the ex-directors, as members of the CoC, were privy to the Applicant's confidential Resolution Plan, including its financial intricacies and strategic proposals, while no reciprocal opportunity was afforded to the Applicant. The Applicant contends that this amounts to a violation of natural justice and procedural fairness and establishes collusion with the ex-directors, breaching the RP's duties under Section 208(2)(a) and (e) of the Code.

Breach of natural justice by circulation of two different compliance report

- 13.** The Respondent initially raised queries regarding the viability and feasibility of its Resolution Plan and sought undertakings vide email dated 10.10.2025, to which the Applicant responded and provided the required undertakings on 14.10.2025. However, during a virtual meeting with homebuyers on 19.10.2025, the Applicant came to know that its Resolution Plan had been declared "non-compliant" in one of the proposed categories, despite such finding never having been communicated to it.
- 14.** The Respondent thereafter prepared and circulated two fundamentally different compliance reports: one shared with the Applicant indicating that its Resolution Plan was compliant with the Code and regulations, and another shared with the CoC declaring the plan non-compliant in respect of a specific category or requirement. The alleged non-compliance related to a matter for

which no query or clarification had previously been sought from the Applicant. Circulation of conflicting reports constitutes bad faith, misrepresentation and manipulation, and violated audi alteram partem, the RP's duty of transparency and fairness, Regulation 39(3) of the CIRP Regulations and Section 208(2)(a) of the Code. The Applicant contends that the conduct demonstrates bias and collusion with the competing PRA and was intended to prejudice the CoC's evaluation of its Resolution Plan.

15. The e-voting process conducted from 19.10.2025 to 21.10.2025 was deliberately and systematically vitiated. The Respondent initiated voting during the Diwali holiday period, when, according to the Applicant, over 95% of CoC members, including individual homebuyers and institutional creditors, were on holiday. Such timing seriously undermined meaningful participation and prevented creditors from deliberating internally, obtaining necessary approvals and casting informed votes.

16. Mr. Vinod Jangra, an allottee and CoC member, informed the RP on 21.10.2025 of non-receipt of the voting link and credentials and sought an extension. In another instance, Mr. Sunil Jawa stated that he could not participate in the voting process as the user ID and password were sent to a defunct email ID, despite the AR having his active email ID and regularly circulating minutes of CoC meetings thereon. The Applicant contends that this establishes targeted disenfranchisement and that the voting process was "incurably tainted and void ab initio".

17. The Applicant formally raised these concerns with the Respondent/RP vide email dated 20.10.2025, objecting to the circulation of two different

compliance reports and unauthorized communication by employees of the Corporate Debtor with CoC members to influence voting in favour of the suspended directors. The Applicant demanded immediate rectification, furnishing of the correct report, clarification to the CoC and stoppage of unauthorized employee communications.

- 18.** Upon failure of the Respondent to take corrective action, the Applicant, vide email dated 21.10.2025, reiterated its objections, including the involvement of Mr. Vivek Sharma and Mr. Devender Bardwaj in communications with CoC members, the initiation of voting during the Diwali holiday period, and the resulting prejudice to meaningful participation. The Applicant sought extension of the CoC voting period until Friday, 24.10.2025.

SUBMISSIONS OF THE RESPONDENT:

- 19.** In response to the publication of 3 separate Form-G on 29.05.2025 in Financial Express (English) and Jansatta (Hindi) – Delhi NCR Edition, the Respondent received a total of 13 Expressions of Interest (EoI) under the following categories: (a) 13 projects along with the Company; (b) 12 projects, without Project Arrow, along with the Company; and (c) only Project Arrow without the Corporate Debtor.
- 20.** After provisional verification of the documents submitted with the EoI along with the EMD, the Resolution Professional issued the provisional list of Prospective Resolution Applicants on 22.06.2025, which was presented in the 7th CoC meeting held on 27.06.2025. The Final List of Prospective Resolution Applicants was to be issued on 07.07.2025, as per the timeline mentioned in Form-G, Detailed EoI and/or draft RFRP. The successful Resolution Applicant

was required to deposit performance security of Rs. 2.50 Crores within seven days of issuance of the Letter of Intent, to remain deposited till final implementation of the Resolution Plan.

21.In the 8th CoC meeting held on 31.07.2025, the Resolution Professional apprised the CoC that the last date for submission of the Resolution Plan was 11.08.2025. The VDR link had been shared with the PRAs on 12.07.2025 containing the Information Memorandum, RFRP and relevant details/documents. The VDR was updated with additional information on 24.07.2025 and thereafter whenever new information was received, and additional information requested by the PRAs was uploaded from time to time.

22.In the 9th CoC meeting held on 13.08.2025, the Resolution Professional informed the CoC that two Resolution Plans had been received on 11.08.2025 from: (a) Consortium of AKB Ventures Private Limited & Sustainable Projects Private Limited; and (b) Consortium of Mr. Harpal Singh Chawla, Mr. Vipin Sharma, Mr. Bharat Bhushan Kumar and Mr. Deepak Kumar. The plans were password protected and were opened before the CoC and representatives of both PRAs. Both plans were legible and, upon preliminary due diligence, were found in accordance with the terms and conditions of the RFRP. The plans were also sent to M/s DGA IB Resolution LLP for due diligence.

23.In the 11th CoC meeting held on 03.10.2025, the RP apprised the CoC that two revised Resolution Plans had been received on 01.10.2025. The password-protected plans were opened in the presence of the respective PRA representatives. The Applicant's representative informed the CoC that one page of the Fund Flow Statement had inadvertently not been attached and

requested permission to submit the revised plan with the said statement, which was agreed to. Both Resolution Plans were thereafter opened before the CoC and the final due diligence was to be carried out and shared with the CoC.

24.In the 12th CoC meeting held on 15.10.2025, the RP presented both Resolution Plans and confirmed, upon detailed examination, that both plans were compliant with Section 30(2) of the Code. The Section 29A due diligence, comparison of final Resolution Plans and Evaluation Matrix scoring were also shared with the CoC, which, after deliberation, decided to put both plans to vote.

25.The Resolution Plan submitted by the Consortium of Mr. Harpal Singh Chawla, Mr. Vipin Sharma, Mr. Bharat Bhushan Kumar and Mr. Deepak Kumar was approved by the CoC with 96.42% voting share. The e-voting commenced on 19.10.2025 at 12:00 PM and concluded on 21.10.2025 at 06:00 PM. Pursuant thereto, the RP issued Letter of Intent dated 22.10.2025 to the SRA. The application under Section 30(6) read with Section 31(1), being IA(IBC)(Plan)/68/2025, seeking approval of the Resolution Plan, is pending adjudication.

26.The present application is a second attempt by the same Applicants to stall the CIRP, as I.A. No. 4728/2025 had earlier been filed on nearly identical grounds.

27.The Applicants have failed to provide proof that the RP issued directions or permitted any such conduct. Mr. Devender Bhardwaj and Mr. Vivek Sharma are employees of the Corporate Debtor and are not employees, associates or

representatives of the RP; the RP neither appointed nor authorised them to act on his behalf. Upon receipt of an email from homebuyer Dr. Rajeev Ahuja, the RP immediately clarified vide email dated 20.10.2025 that all staff belonged to the Corporate Debtor and that forwarding such messages was “not in the right spirit”. The communications relied upon by the Applicants therefore establish that the RP disapproved of such conduct and did not turn a blind eye.

28. The grievance regarding withholding of information is belied by the Applicants’ own correspondence. Emails dated 02.08.2025, 05.08.2025, 06.08.2025 and 22.09.2025 record detailed clarifications by the RP’s team. The Applicants’ representatives also visited the RP’s office on 04.08.2025 and project sites on 11.08.2025 and acknowledged satisfaction with the data made available. The RP complied with Section 25(2)(g) and Regulation 36(2), ensuring equal access to the VDR for all PRAs.

29. The 12th CoC meeting held on 15.10.2025 deliberated on both Resolution Plans, considering comparative scoring as per the Evaluation Matrix, financial capability of the RAs, project completion timelines and benefits to stakeholders, especially homebuyers. The voting was conducted transparently through an independent electronic platform from 19.10.2025 to 21.10.2025 in the presence of the Authorised Representative. No objection was raised by any CoC member or homebuyer during or after the voting.

30. The Applicants, being unsuccessful PRAs, lack locus to challenge the CoC’s commercial decision. Reliance is placed on *ArcelorMittal India Pvt. Ltd. v. Satish Gupta* (2019) 2 SCC 1, wherein it was held that participation in the

process does not confer a right to question the CoC's decision unless there is proven fraud or illegality. In the absence of any illegality or fraud on the part of the RP, the allegations are not maintainable. The CIRP period is nearing completion and repeated applications would jeopardize the time-bound objective of the Code and cause prejudice to stakeholders, including thousands of homebuyers awaiting completion of their units.

31. Access to the VDR was provided to all PRAs simultaneously on 12.07.2025 and continuously updated as new information became available. Additional documents requested by the Applicant were uploaded subject to verification of authenticity and confidentiality obligations. Vide emails dated 06.09.2025 and 22.09.2025, the RP provided the required documents and clarifications, and vide emails dated 26.09.2025 and 27.09.2025, further responded to the Applicant's queries and requested submission of the final Resolution Plan. The Applicant was again updated with information on 01.10.2025.

32. Both Resolution Plans were opened only in the presence of CoC members and representatives of the respective PRAs. The process adopted by the RP was ratified by the CoC in its 7th, 9th, 10th and 11th meetings and all steps were documented in the minutes. The RP maintained confidentiality of the Resolution Plans in terms of Regulation 36A(6) and ensured that no PRA obtained an advantage over another. The CoC independently approved the procedural framework and the RP acted with professional diligence, neutrality and transparency.

33. The Applicants' allegations are stated to be baseless, repetitive and intended to delay approval of the Resolution Plan.

FURTHER SUBMISSIONS OF THE APPLICANT:

34. The “Active” employee list uploaded by the RP itself identifies Mr. Vivek Sharma (VP-Commercial) and Mr. Devender Bhardwaj (Sr. Manager-Leasing) as active employees, who, under Sections 17(1)(b), 23(2) and 25(1) of the Code, function under the RP’s control and superintendence. The email dated 09.08.2025 further shows that the RP specifically designated Mr. Devender Bhardwaj to interface with the Applicant and conduct site visits, thereby authorising him to act in connection with the CIRP. Despite admitting that the canvassing activities were “not in the right spirit”, the RP took no punitive or corrective action and continued to retain the said employees in their positions and pay their salaries from CIRP costs. The Applicant alleges that Respondent Nos. 2 and 3 actively contacted CoC members and canvassed votes for the Consortium of Ex-Promoters, as evidenced by the WhatsApp messages forming part of Annexure-6, which allegedly violates Section 208(2)(a), the Code of Conduct and Clause 3.1.3(g) of the RFRP. Such conduct, according to the Applicant, also falls within the “undesirable practice” under Clause 10.3.5 of the RFRP and warrants disqualification of the Consortium of Ex-Promoters as the SRA.

35. The RP failed to provide complete and authentic information and due diligence documents in a timely manner, with belated and piecemeal uploads allegedly creating an uneven playing field in favour of the competing SRA, which had historical access to the Corporate Debtor’s records. The Applicant also challenges the e-voting process conducted from 19.10.2025 to 21.10.2025, contending that it coincided with national holidays and that the RP arbitrarily

declined the requested extension till 24.10.2025, thereby prejudicing the ability of Financial Creditors/Homebuyers to take a considered decision.

ANALYSIS AND FINDINGS:

36. We have heard the learned Counsel appearing for the Applicants and the Respondent and have perused the pleadings and documents placed on record.

37. At the outset, it is noted that the present Application has been filed under Section 60(5) of the Code seeking, inter alia, declaration that the voting process conducted between 19.10.2025 and 21.10.2025 is null and void, removal of the Resolution Professional, appointment of a new Resolution Professional, investigation into the conduct of the Resolution Professional and his alleged associates, and initiation of a fresh voting process. The principal grievance of the Applicants relates to alleged withholding of information, alleged canvassing by employees of the Corporate Debtor, alleged circulation of two different compliance reports and the timing and conduct of the e-voting process.

38. It is relevant to note that pursuant to the voting, the Resolution Plan submitted by the consortium comprising Mr. Harpal Singh Chawla, Mr. Vipin Sharma, Mr. Bharat Bhushan Kumar and Mr. Deepak Kumar was approved by the Committee of Creditors with 96.42% voting share and the Resolution Professional issued the Letter of Intent dated 22.10.2025. The application for approval of the Resolution Plan under Section 30(6) read with Section 31(1) of the Code, being IA(IBC)(Plan)/68/2025, is pending adjudication before this Adjudicating Authority.

- 39.**At the same time, merely because the voting process has concluded would not, by itself, preclude examination of an allegation of a material illegality or procedural irregularity which, if established, could have affected the validity of the process. Therefore, we have considered the allegations raised by the Applicants on merits to ascertain whether any such illegality or irregularity has been established warranting interference by this Adjudicating Authority.
- 40.**The first allegation of the Applicants concerns alleged collusion and bias on the part of the Resolution Professional in favour of the consortium comprising the ex-directors of the Corporate Debtor. The Applicants rely principally upon certain communications allegedly made by Mr. Devender Bhardwaj and Mr. Vivek Sharma to members of the CoC/Homebuyers for canvassing support in favour of the competing Resolution Plan. The Applicants contend that since these persons were employees of the Corporate Debtor and were functioning during the CIRP under the control and supervision of the Resolution Professional, their alleged conduct is attributable to the Resolution Professional.
- 41.**In this regard, the Respondent has specifically stated that Mr. Devender Bhardwaj and Mr. Vivek Sharma are employees of the Corporate Debtor and were neither employees nor representatives of the Resolution Professional. It has further been stated that the Resolution Professional had neither appointed nor authorised them to canvass or communicate with members of the CoC in relation to voting on the Resolution Plans. The correspondence placed on record further indicates that when the communication concerning

the alleged forwarding of messages was brought to the notice of the Resolution Professional, he clarified that such conduct was not in the right spirit.

42. The mere fact that the employees of the Corporate Debtor continued to work during the CIRP and were subject to the supervision of the Resolution Professional cannot, in itself, lead to an inference that every act allegedly committed by such employees was authorised by or undertaken at the instance of the Resolution Professional. The Applicants were required to establish a specific nexus between the alleged communications and the Resolution Professional or demonstrate that the Resolution Professional had expressly or impliedly authorised, directed or knowingly permitted such conduct with a view to influencing the CoC. No such material has been brought on record.

43. The Applicants have relied upon the fact that Mr. Devender Bhardwaj had been designated by the Resolution Professional to interface with the Applicant and conduct site visits. However, such designation, by itself, cannot be construed as authorisation to canvass votes or influence members of the CoC in favour of any particular Resolution Plan. The functions performed by an employee of the Corporate Debtor for facilitating the CIRP cannot automatically be equated with participation in the decision-making process of the CoC.

44. Further, the material relied upon by the Applicants, even if taken at its highest, establishes at best that certain communications were allegedly made by employees of the Corporate Debtor. It does not establish that the Resolution Professional directed or participated in such communications or

that the CoC was in fact influenced by the same. The allegation of collusion is a serious allegation and cannot be sustained merely on the basis of inference or suspicion in the absence of cogent material demonstrating such collusion.

45. The Applicants have also alleged that the Resolution Professional failed to take punitive or corrective action against the said employees. However, the correspondence relied upon by the Applicants itself shows that the Resolution Professional, upon the issue being brought to his notice, stated that forwarding of such messages was “not in the right spirit”. The question whether any further disciplinary action was warranted against an employee of the Corporate Debtor does not, in the absence of proof of participation or authorisation by the Resolution Professional, establish that the entire CIRP or the voting process stood vitiated.

46. The next and principal grievance of the Applicants is that there was gross information asymmetry and deliberate withholding of information by the Resolution Professional, thereby placing the Applicants at a disadvantage vis-à-vis the competing Resolution Applicant. The Applicants have referred to various requests for Tally data/Trial Balance, project-wise pending work, bifurcation of claims, BBA copies, details of unsold units and discrepancies between the Information Memorandum and the RERA website.

47. There is no dispute with the proposition that the CIRP framework contemplates a transparent and competitive process and that relevant information is required to be made available to eligible prospective resolution applicants.

- 48.** However, the question before us is whether the alleged deficiencies were of such nature and magnitude as to establish that the Applicant was denied a fair opportunity to formulate and submit its Resolution Plan.
- 49.** From the submissions placed on record, it is evident that the VDR was made available to the PRAs on 12.07.2025 and was subsequently updated with additional information. The Respondent has referred to the communications dated 02.08.2025, 05.08.2025, 06.08.2025, 06.09.2025, 22.09.2025, 26.09.2025, 27.09.2025 and 01.10.2025 whereby the queries raised by the Applicant were addressed and further information was furnished. The Applicants were also permitted to undertake site visits and interact with the concerned personnel.
- 50.** Significantly, despite alleging that material information had been deliberately withheld and that a level playing field had been destroyed, the Applicant proceeded to submit its Resolution Plan on 11.08.2025 and thereafter a revised Resolution Plan on 01.10.2025. The revised Resolution Plan was opened before the CoC in the presence of the representatives of the concerned PRAs. The material placed before us does not establish that the Applicant was prevented from submitting a Resolution Plan or that it was denied an opportunity to revise its proposal on account of any deliberate withholding of information by the Resolution Professional.
- 51.** The allegation that the competing Resolution Applicant, being associated with the erstwhile management, possessed greater historical knowledge of the affairs of the Corporate Debtor also does not, by itself, establish an illegality on the part of the Resolution Professional. Such an applicant's previous

association with the Corporate Debtor may give rise to a separate question concerning its eligibility under Section 29A of the Code or the permissibility of its participation in the resolution process. However, such statutory eligibility is required to be assessed in accordance with the Code and is distinct from the question whether the Applicant before us was denied equal access to the VDR.

52. The Applicants have further relied upon the alleged circulation of two different compliance reports. According to the Applicants, one report indicated that their Resolution Plan was compliant, whereas another report circulated to the CoC declared the plan non-compliant in respect of a particular requirement. The Applicants contend that this violated natural justice and Regulation 39(3) of the CIRP Regulations. The Applicants have failed to substantiate this allegation by any documentary proof.

53. From the Respondent's submissions, however, it is apparent that both Resolution Plans were considered by the CoC and that, in its meeting held on 15.10.2025, the Resolution Professional presented the Resolution Plans and confirmed their compliance with Section 30(2) of the Code. The Section 29A due diligence, comparative evaluation and scoring were also placed before the CoC, following which the CoC deliberated upon both Resolution Plans and decided to put them to vote.

54. The Applicants have not placed sufficient material before this Adjudicating Authority to establish that any alleged discrepancy in the compliance report materially altered the rights of the Applicants or resulted in the CoC voting on the basis of a false or deliberately manipulated document. Equally, no

material has been placed to establish that the Applicants were denied an opportunity to address a substantive defect which was ultimately relied upon to reject their plan. In the absence of such material, the allegation of violation of audi alteram partem cannot be accepted merely on the basis of an asserted difference between two communications.

55.It is also relevant that the CoC is not a passive recipient of the RP's assessment. The CoC considered both Resolution Plans, the comparative Evaluation Matrix, the financial capability of the Resolution Applicants, project completion timelines and the benefits proposed for stakeholders. The decision to put both Resolution Plans to vote was thus taken after consideration at the CoC level.

56.The Applicants have also challenged the e-voting process on the ground that the voting period from 19.10.2025 to 21.10.2025 coincided with the Diwali holiday period and that several creditors were consequently unable to participate. We are unable to accept that the mere coincidence of an e-voting period with a public holiday, without proof of a statutory violation or actual material prejudice to the voting rights of the CoC, is sufficient to invalidate the voting process.

57.The Applicants have referred to the cases of Mr. Vinod Jangra and Mr. Sunil Jawa, who allegedly faced difficulties in receiving the voting credentials. Individual instances of non-receipt or transmission of credentials may certainly warrant examination by the RP/Authorised Representative; however, to invalidate an entire CoC voting process, it must be demonstrated that the voting mechanism was fundamentally defective or that eligible

creditors were materially and systematically prevented from exercising their voting rights.

58. In the present case, the Respondent has stated that the voting was conducted through an independent electronic platform from 19.10.2025 to 21.10.2025 in the presence of the Authorised Representative. No material has been placed before us demonstrating that the alleged individual instances resulted in the exclusion of a voting share sufficient to affect the outcome of the voting. More importantly, the Resolution Plan was approved with 96.42% voting share. The Applicants have not established that the alleged difficulties in accessing the voting process materially affected the statutory threshold or the result.

59. The Applicants have sought to characterise the entire voting process as “void ab initio”. Such a conclusion cannot be drawn merely from allegations of procedural inconvenience or isolated instances of communication issues. The material on record does not demonstrate any fundamental defect in the constitution or functioning of the CoC, nor any established manipulation of the e-voting mechanism.

60. The Applicants, being one of the two Resolution Applicants, have also questioned the decision of the CoC to approve the competing Resolution Plan. In this regard, the scope of judicial interference with the commercial decision of the CoC is well settled. The Supreme Court has repeatedly held that the feasibility and viability of a Resolution Plan and the comparative assessment of competing plans fall within the commercial wisdom of the CoC, and that such decision-making cannot ordinarily be substituted by the Adjudicating Authority.

- 61.** The aforesaid principle, however, does not mean that an established fraud or illegality is immune from scrutiny. The Applicants were therefore required to establish that the CoC's decision was procured through a demonstrated illegality attributable to the Resolution Professional or that the process adopted was fundamentally contrary to the Code. As discussed hereinabove, the allegations of collusion, information asymmetry, canvassing and manipulation have not been established by cogent material.
- 62.** We also find considerable force in the submission of the Respondent that the Applicants cannot seek, through the present Application, a fresh voting process merely because their Resolution Plan was not approved. Participation as a prospective resolution applicant does not confer an entitlement to have one's Resolution Plan accepted or to require the CoC to reconsider its commercial decision merely because the Applicant is dissatisfied with the outcome. The Supreme Court has consistently recognised the primacy of the CoC's commercial wisdom in choosing between competing Resolution Plans.
- 63.** The allegation regarding the competing Resolution Applicant being a consortium of persons associated with the erstwhile management also does not, in the facts presently before us, warrant setting aside the voting process. The question of eligibility under Section 29A is a statutory question which is required to be examined in accordance with the Code and forms part of the scrutiny of the Resolution Plan. The mere allegation by a competing PRA that the other Resolution Applicant is ineligible cannot, by itself, be treated as proof of ineligibility or collusion.

- 64.** In any event, the Resolution Plan approved by the CoC has already been placed before this Adjudicating Authority for consideration under Section 30(6) read with Section 31 of the Code. The statutory scrutiny at that stage is distinct from the present challenge raised by an unsuccessful Resolution Applicant to the commercial decision of the CoC.
- 65.** The prayer for removal of the Resolution Professional and appointment of a new Resolution Professional also cannot be granted merely on the basis of the allegations made by the Applicants. Removal of an RP is a serious measure and must be founded upon established circumstances demonstrating such conduct or incapacity as would warrant interference with the continuation of the RP. In the present case, no such circumstance has been established.
- 66.** The prayer seeking supply of pending information and clarifications also does not survive in the manner sought by the Applicants. The Applicant has already participated in the resolution process, submitted its Resolution Plan and revised Resolution Plan, and the CoC has considered the competing Resolution Plans. A direction for fresh disclosure at this stage, coupled with reopening of the voting process, would effectively require the CIRP to be taken back to a stage which has already been completed without the Applicants establishing any foundational illegality in the process.
- 67.** We are also conscious of the time-bound nature of the insolvency resolution process. In the present case, the CoC has already deliberated upon the Resolution Plans and approved one of them by an overwhelming majority of 96.42% voting share. The Resolution Plan is now pending consideration of this Adjudicating Authority.

68.In view of the foregoing discussion, we find that the Applicants have not established any material illegality, fraud, collusion or procedural irregularity of such magnitude as would warrant setting aside the concluded voting process or directing a fresh voting process.

69.Accordingly, I.A. 5202/ND/2025 is **dismissed**.

No order as to costs.

-SD/-

**ATUL CHATURVEDI
MEMBER (TECHNICAL)**

-SD/-

**MAHENDRA KHANDELWAL
MEMBER (JUDICIAL)**

IN THE NATIONAL COMPANY LAW TRIBUNAL
NEW DELHI BENCH
COURT-IV

I.A. 4728 ND 2025

IN

C.P. IB 284 (PB) OF 2021

IN THE MATTER OF:

Consortium of AKB Ventures LLP

...Applicant No. 1

And

Sustainable Projects Private Limited

...Applicant No. 2

Versus

**Narender Kumar Sharma
Resolution Professional of
Spaze Towers Private Limited**

...Respondent No.1

Mr. Devendra Bhardwaj

...Respondent No. 2

Mr. Vivek Sharma

...Respondent No. 3

AND IN THE MATTER OF:

VIVEK KHANNA & ORS

...Financial Creditors

Versus

SPAZE TOWERS PVT. LTD.

...Corporate Debtor

Order Pronounced on: 05.10.2026

CORAM:

**SHRI MAHENDRA KHANDELWAL
HON'BLE MEMBER (JUDICIAL)**

**SHRI ATUL CHATURVEDI
HON'BLE MEMBER (TECHNICAL)**

PRESENT:

For the Applicant : Mr. Gurcharan Singh, Mr. Amardeep Singh, Adv.

For the RP : Mr. Karan Gandhi, Mr. Sikhar Tiwari, Mr. Pratham
Bansal, Ms. Riya Jain, Ms. Vidhika Kapoor, Adv.

I.A 4728 ND 2025

IN

C.P. IB 284 (PB) OF 2021

Date of Order: 05.10.2026

Page 1 of 3

ORDER

PER: ATUL CHATURVEDI, MEMBER (TECHNICAL)

1. The present Application has been filed by the Applicants under the provisions of Section 60 (5) of the Insolvency and Bankruptcy Code, 2016 read with Rule 11 of the National Company Law Tribunal Rules, 2016 ("NCLT Rules, 2016") seeking the following reliefs:

a) direct that no discussion, consideration, or voting in respect of the Resolution Plans of the Corporate Debtor shall take place in the meetings of the Committee of Creditors until such time the Respondent/ Resolution Professional furnishes to the Applicant all the information, documents, and clarifications sought and pending, in terms of emails dated 01.08.2025, 02.08.2025, 01.09.2025 and 06.09.2025.

b) direct RP to the forthwith provide all pending Information/ clarifications sought by the Applicant vide its emails dated 06.09.2025 in order for the Applicant to submit a revised Resolution Plan in a fair and meaningful manner;

c) direct the Committee of Creditors to consider the resolution plan as and when the same is submitted by the Applicant;

d) direct that the Suspended Directors, if acting as PRAs, shall not be allowed to attend CoC meetings in their capacity as suspended directors, except where their presence is specifically required to clarify past affairs of the Corporate Debtor;

e) Pass such further or other orders as this Hon'ble Tribunal may deem fit in the interest of justice and equity.

2. I.A. No. 4728/2025 was filed seeking, inter alia, directions to the Resolution Professional to furnish the information and clarifications sought by the Applicants, defer consideration and voting on the Resolution Plans, permit submission of a revised Resolution Plan and direct the Committee of Creditors to consider the same. The Applicants had also raised grievances regarding the participation of the Suspended Directors, who were also Prospective Resolution Applicants, in the meetings of the Committee of Creditors.
3. The aforesaid issues have subsequently been raised and comprehensively dealt with by this Adjudicating Authority while considering I.A. No. 5202/2025. While adjudicating I.A. No. 5202/2025, this Adjudicating Authority has also taken into consideration the subsequent events, including the consideration of the Resolution Plans by the Committee of Creditors and conclusion of the voting process. Thus, the grievances and reliefs forming the subject matter of I.A. No. 4728/2025 stand substantially covered by the findings recorded in I.A. No. 5202/2025.
4. In view of the aforesaid, no separate or independent adjudication of I.A. No. 4728/2025 is warranted. The reliefs sought therein have been overtaken by subsequent events and the issues raised therein have already been considered while adjudicating I.A. No. 5202/2025.
5. Accordingly, I.A. No. 4728/2025 is rendered **infructuous** and is **dismissed** as such.

-SD/-

ATUL CHATURVEDI
MEMBER (TECHNICAL)

-SD/-

MAHENDRA KHANDELWAL
MEMBER (JUDICIAL)

IN THE NATIONAL COMPANY LAW TRIBUNAL
NEW DELHI BENCH
COURT-IV

I.A. 843 ND 2025
IN
C.P. IB 284 (PB) OF 2021

IN THE MATTER OF:

VIVEK KHANNA

...Applicant No. 1

RAJEEV CHANDWANI

...Applicant No. 2

NAWAL KUMBHAT

...Applicant No. 3

CHHANDITA WARKARE

...Applicant No. 4

RITESH JAIN

...Applicant No. 5

VEENU GUWALANI

...Applicant No. 6

DAVINDER KAUR

...Applicant No. 7

PARMINDERJIT SINGH

...Applicant No. 8

ANJALI BHATNAGAR

...Applicant No. 9

PRADEEP BHATNAGAR

...Applicant No. 10

VISHAL KAMRA

...Applicant No. 11

BAJAMAHAL PHANI KUMAR

...Applicant No. 12

AMIT BHATNAGAR

...Applicant No. 13

RUCHIKA BEHL

...Applicant No. 14

REKHA SAITH

...Applicant No. 15

MOHD. TUFEL ZAMA

I.A 843 ND 2025

IN

C.P. IB 284 (PB) OF 2021

Date of Order: 05.10.2026

MOHD. SAKIB ZAMA

...Applicant No. 16

MOHD. SUHEL ZAMA

...Applicant No. 17

NATHU RAM YADAV

...Applicant No. 18

MAHENDRA SINGH

...Applicant No. 19

...Applicant No. 20

Versus

**MR. GAURAV KATIYAR
INTERIM RESOLUTION PROFESSIONAL
SPAZE TOWERS PVT. LTD.**

...Respondent

AND IN THE MATTER OF:

VIVEK KHANNA & ORS

...Financial Creditors

Versus

SPAZE TOWERS PVT. LTD.

...Corporate Debtor

Order Pronounced on: 05.10.2026

CORAM:

**SHRI MAHENDRA KHANDELWAL
HON'BLE MEMBER (JUDICIAL)**

**SHRI ATUL CHATURVEDI
HON'BLE MEMBER (TECHNICAL)**

PRESENT:

For the Applicant : Ms. Eshna Kumar, Ms. Astha Agrawal, Advs.

For the RP : Mr. Karan Gandhi, Mr. Sikhar Tiwari, Mr. Pratham
Bansal, Ms. Riya Jain, Ms. Vidhika Kapoor, Advs.

ORDER

PER: ATUL CHATURVEDI, MEMBER (TECHNICAL)

1. The present Application has been filed by the Applicants under Section 21 and Section 60(5) of the Insolvency and Bankruptcy Code, 2016 (“Code”) read with Rule 11 of the National Company Law Tribunal Rules, 2016 (“NCLT Rules, 2016”) seeking the following reliefs:

A. Allow the present application and exclude the Proxy Claimants [as defined hereinabove) from the CoC;

B. Pass an order for the Resolution Professional to provide the account statement detailing money paid and receipts of each unit holders in project Spaze Arrow;

C. Pass an order to set aside / quash / cancel voting No. 4A and 4B passed in the third CoC meeting dated 09.01.2025;

D. Pass any such other order(s) as it may deem fit and proper in the interests of justice.

SUBMISSIONS OF THE APPLICANTS:

2. The CIRP of Spaze Towers Private Limited (“Corporate Debtor”) was admitted by order dated 21.10.2024 under Section 7 of the IBC on an application filed by allottees of the “Spaze Arrow” project. The present application seeks reconstitution of the CoC to include only genuine unit holders, exclusion of

persons whose claims allegedly do not qualify as allottee claims, exclusion of alleged proxies of the suspended management, and exclusion of unverifiable claims based on photocopies of agreements in the absence of Tally data.

3. It is alleged that the suspended directors, after unsuccessful attempts before the NCLAT and Supreme Court, have resorted to unlawful means to retain influence over the CIRP and secure appointment of a Resolution Professional of their choice. In the absence of an exhaustive forensic audit, allegedly false claims are stated to have an undue influence on CoC voting, contrary to Section 21(2) of the IBC. It is further alleged that the then Resolution Professional, Mr. Gaurav Katiyar, despite representations, failed to disclose critical data concerning the identities and payment histories of allottees receiving assured returns, allegedly in breach of Sections 25(2)(e) and (h) of the IBC.
4. Objection has been raised to the inclusion of seven alleged “Proxy Claimants” in the CoC, namely Mr. Jaspreet Singh, Mr. Pramod Kumar Soni, Mr. Pramod Soni and Sunita Soni, Mrs. Usha Soni, Dr. Kuldeep Dang and Arvinder Dang, Mrs. Charanjiv Kaur and Mrs. Ramanjit Kaur, whose aggregate admitted claims are stated to be Rs.4,22,49,656, carrying 3.82% voting share. It is alleged that these persons entered into MOUs with the Corporate Debtor for

assured returns and received such returns despite, in several cases, not having paid the entire sale consideration.

5. The application provides details of payments made towards the concerned units and alleges substantial disparity between the amounts actually paid and the amounts claimed/admitted. In the case of Mrs. Charanjiv Kaur, it is specifically alleged that receipts of only Rs.2,04,759 were shown before the Delhi High Court for Unit No. 405, whereas a claim of Rs.16,27,797 was admitted in the CIRP, with the allegation that Unit No. 408A was not disclosed before the High Court.
6. Reference is made to complaints before the EOW and proceedings before the Delhi High Court concerning allegations that the Corporate Debtor siphoned project funds through benamidars/proxies under the guise of assured returns. The police status report recorded that no assured returns were given to allottees who had not paid the complete sale consideration and that the Corporate Debtor had refuted allegations of forgery. Against this background, it is alleged that the Proxy Claimants, despite not having paid the complete sale consideration, received assured returns, indicating that they were either benamidars of the Corporate Debtor or that the suspended management had a beneficial interest in their units.

7. In relation to Mr. Jaspreet Singh, the MOU is alleged to be suspect as it records payment of Rs.14,50,000 towards Unit No. 407 by Spaze Towers Private Limited itself. It is further alleged that Mr. Jaspreet Singh, Mrs. Charanjiv Kaur and Mrs. Ramanjit Kaur reside at the same address and that their MOUs, collectively, show assured returns of Rs.14,40,000 in the first year against an alleged out-of-pocket contribution of virtually nil.
8. Reliance is placed on the DTCP financial audit filed on 14.08.2023, according to which the Corporate Debtor had made payments exceeding Rs.66 crore towards “assured return”. It is stated that the audit does not identify the amount paid to each allottee, and that such information would assist in determining genuine allottees and alleged benamidars/proxies. Reference is also made to an inspection sanctioned by the Central Government under Section 206(5) of the Companies Act, 2013 concerning allegations of fraud, siphoning of public funds and other violations.
9. The alleged suspicious claimants are stated to constitute only a partial list from Spaze Arrow, with the full extent of alleged proxies in that project and the other 12 projects remaining unknown. An exhaustive financial audit is therefore sought before determination of CoC voting percentages. It is further stated that the Proxy Claimants had been rejected as financial creditors by the NCLT, Chandigarh, and that acceptance of their claims would be contrary

to such determination. Reliance is placed on Swiss Ribbons Private Limited and Another v. Union of India and Others for the proposition that a Resolution Professional has no adjudicatory powers.

10. A separate concern is raised regarding claims of related parties and family members of the suspended management. According to the DTCP audits of 2016 and 2022, more than 20 units were in the names of directors and their family members, including Gurpal Chawla, Yogita Kumar and Nikita Kumar. It is alleged that these persons had paid only Rs.1,00,000 towards booking for each unit, whereas TDS records reflected payments by Spaze Towers Private Limited of approximately Rs.33 lakh per year to Nikita Kumar and Yogita Kumar. Investigation of the concerned units, MOUs, bank statements and payments is therefore sought.

11. The application further refers to TDS records for FY 2016–17 showing Rs.37,03,756 credited and Rs.3,70,405 deducted and deposited as TDS in the names of both Yogita Kumar and Nikita Kumar by Spaze Towers Private Limited. It is alleged that the sale and assured returns paid to such persons were not reported as related-party transactions in the Company's balance sheet.

12. Reference is also made to an alleged “14th project”, namely “Spaze Delhi”. Two claims relating to the said project allegedly appear at serial numbers 228 and

276 of the claims filed by the RP, whereas, according to filings before the NCLAT and Supreme Court, “Spaze Delhi” was not listed as a project of the Corporate Debtor. A separate application is stated to have been preferred in this regard.

13. Several emails were addressed to the authorised representative and IRP seeking details regarding the beneficiaries of the Rs.66 crore assured-return payments and account statements of unit holders in Spaze Arrow. It is alleged that no response was received and that the Resolution Professional declined to provide details of the amounts paid by individual unit holders.
14. The voting percentage of genuine allottees of Spaze Arrow is stated to have reduced by approximately 50%, while that of other unit holders reduced by approximately 20%. The application relies upon e-voting records showing a reduction in the voting percentage of one member from 0.82% in November 2024 to 0.45% in January 2025.
15. It is alleged that the suspended directors deliberately caused the Tally data of the Corporate Debtor to become unavailable. The minutes of the second CoC meeting dated 17.12.2024 record that accounting data for some projects was available from 2016 onwards and under validation, while earlier-year data had been lost due to a technical issue. It is alleged that claims were thereafter filed by proxies and unknown persons merely on the basis of photocopies,

without bank statements, making reconciliation with the available Tally data impossible. Recovery and examination of bank statements dating back to 2011–2012 is stated to be necessary to verify such claims.

- 16.** The suspended directors are alleged to have increased the voting percentage of proxy claimants while denying genuine claims, thereby influencing CoC voting and the appointment of a new Resolution Professional. Mr. Gaurav Katiyar was initially appointed as IRP and his candidature was confirmed in the first CoC meeting dated 19.11.2024. It is alleged that the suspended directors continued to operate from the same office and hindered the functioning of the RP. Mr. Katiyar thereafter sought to engage an insolvency firm at a fee of Rs.10 lakh per month, which proposal was rejected, following which he resigned.
- 17.** Following the resignation of Mr. Katiyar, the suspended directors, through alleged proxies and employees, are stated to have campaigned for appointment of Mr. Narender Sharma as Resolution Professional. In the third CoC meeting, Mr. Atul Mittal and Mr. Narender Sharma were proposed, and it is alleged that the appointment of Mr. Sharma resulted from the influence and lobbying of the suspended directors through the Proxy Claimants. The application further alleges that Mr. Sharma was sympathetic to the

suspended management and was appointed through the votes of the proxy claimants.

- 18.** The Corporate Debtor's challenge to the CIRP order before the NCLAT did not result in any stay, and the CoC was constituted pursuant to the NCLAT order dated 28.10.2024. The challenge before the Supreme Court was dismissed on 08.11.2024. The Corporate Debtor's attempt to confine the CIRP to Spaze Arrow was rejected by the NCLAT on 17.12.2024, and the subsequent appeal before the Supreme Court was dismissed on 02.01.2025.
- 19.** Several other fraudulent and suspicious transactions may exist in Spaze Arrow and the other projects and can be identified only through a detailed financial audit. The CoC minutes are stated to record that the Resolution Professional received proposals for forensic audit from KPMG and Grant Thornton. Reference is also made to alleged expenditure of approximately Rs.192 crore by Spaze Towers on a project in Sector 114, where the land was allegedly transferred to another entity, along with other undisclosed and suspicious transactions. A forensic audit is accordingly stated to be integral to the CIRP and sought to be directed by the Adjudicating Authority.
- 20.** The MOUs of the Proxy Claimants are, in substance, assured-return investment contracts and not agreements of real estate allotment. It is well settled that a person who invests in a real estate project purely to earn a

guaranteed/assured return, without any genuine intention of taking possession and without the ordinary safeguards of a builder-buyer agreement, construction milestones, delivery timelines, or delay compensation is a “speculative investor” and cannot claim the status of an “allottee”/Financial Creditor under Explanation (i) to Section 5(8)(f) of the Code. Reliance has been placed on Pioneer Urban Land and Infrastructure Ltd. v. Union of India, (2019) 8 SCC 416; Nidhi Rekhan v. Samyak Projects Pvt. Ltd., Company Appeal (AT) (Ins) No. 1035 of 2020, NCLAT, decided 31.01.2022, Mansi Brar Fernandes & Ors. v. Shubha Sharma & Ors., Civil Appeal No. 3826 of 2020 and Nikhil Khanna & 87 Ors. v. Spaze Towers Pvt. Ltd., CP (IB) No. 70/Chd/Hry/2022.

SUBMISSIONS OF THE RESPONDENT:

- 21.** The RP, Mr. Narender Kumar Sharma, was appointed as the RP of the Corporate Debtor pursuant to the Order dated 22.01.2025. Pursuant to the Order dated 16.03.2026, by which the issue of maintainability was decided, the RP was directed to file reply on merits.
- 22.** The CIRP of Spaze Towers Private Limited was initiated by order dated 21.10.2024 in C.P. (IB) No. 284(PB)/2021, with Mr. Gaurav Katiyar appointed as IRP and subsequently confirmed as Resolution Professional. The CIRP

order was challenged before the NCLAT, which, by order dated 28.10.2024, directed that the insolvency process should continue and that the CoC be constituted. The challenge before the Hon'ble Supreme Court in Civil Appeal No. 12189 of 2024 was disposed of, leaving the parties to pursue their contentions before the NCLAT.

23. Pursuant thereto, an application was filed before the NCLAT seeking confinement of the CIRP to the project "Spaze Arrow". The NCLAT, by order dated 17.12.2024, rejected the prayer, observing that claims had been filed in respect of other projects and that confining the CIRP to Spaze Arrow would exclude such claims. The Hon'ble Supreme Court, in Civil Appeal No. 14708 of 2024, agreed with the NCLAT that the Section 7 order could not be confined to one project and dismissed the appeal on 02.01.2025. The appeal against the CIRP commencement order was subsequently withdrawn by the suspended management on 22.08.2025.

24. The present application has been filed by 20 homebuyers/allottees of Spaze Arrow, who were part of the original group of 34 financial creditors who initiated the CIRP. The prayers seek, inter alia, exclusion of the alleged "Proxy Claimants" from the CoC, directions to the RP to provide account statements detailing payments and receipts of unit holders in Spaze Arrow, and setting

aside/quashing/cancellation of Voting Nos. 4A and 4B passed in the third CoC meeting dated 09.01.2025.

- 25.** The CIRP was commenced by order dated 21.10.2024, pursuant to which the erstwhile RP made the public announcement in Form-A on 24.10.2024. Upon receipt and collation of claims, the CoC was constituted in terms of Section 21(1) of the Code. The erstwhile RP thereafter filed I.A. No. 5676 of 2024 under Regulation 17(1) of the CIRP Regulations, certifying the constitution of the CoC, which was taken on record by this Adjudicating Authority by order dated 09.12.2024.
- 26.** Under Section 18(1)(b) of the Code, the IRP is required to receive and collate claims submitted pursuant to the public announcement, while verification is to be undertaken on the basis of information furnished by the creditor and the records of the Corporate Debtor. The Resolution Professional is not an adjudicator but a facilitator, and the power to verify claims is administrative in nature.
- 27.** Reliance is placed on the order dated 09.09.2025 passed by this Adjudicating Authority in *Manjinder Singh Sandhu & Ors. v. Original CoC of Class Home Buyers & Ors.*, I.A. No. 3143/2022 in C.P. (IB) No. 1591(PB)/2018, wherein it was held that once a claim has been admitted or rejected, re-verification by

the RP on his own, without approval of the Adjudicating Authority, would exceed the powers and duties of the RP and is impermissible.

- 28.** The erstwhile RP convened the first CoC meeting on 19.11.2024, wherein the constitution of the CoC as on 13.11.2024, based on claims received up to 06.11.2024 and verified under Regulations 13 and 14 of the CIRP Regulations, was placed before the members. The constitution of the CoC was duly noted by the members. The composition having been placed on record before this Adjudicating Authority and noted by the CoC, the present attempt to reopen or alter the constitution of the CoC is stated to be legally untenable.
- 29.** It is further contended that the prayer for exclusion of the alleged “Proxy Claimants” is generic and concerns homebuyers/financial creditors in a class. Such a grievance ought to have been raised through the Authorised Representative, and no material has been placed to demonstrate that the Applicants had raised the grievance with the Authorised Representative. In the absence of such steps and supporting material, the generic prayer cannot be entertained.
- 30.** The nomenclature “Proxy Claimants” is stated to have no legal basis. The persons referred to in the application are homebuyers whose claims were admitted by the erstwhile RP and on the basis of which the CoC was

constituted. Any revision of claims is governed by Regulation 14 of the CIRP Regulations, 2016.

- 31.** The 89 Allottees had filed claims in respect of assured returns, which were duly verified and admitted by the erstwhile Resolution Professional in accordance with law. Out of these, 41 Allottees pertaining to Project Arrow had entered into MOUs with the Corporate Debtor entitling them to assured returns until possession of their respective units. As the Corporate Debtor failed to hand over possession, these allottees filed their claims, which were duly admitted. The relevant list of assured-return creditors, list of claimants pertaining to Project Arrow and sample MOU were annexed with the reply.
- 32.** Allottees falling within the category of assured returns constitute “allottees” under the Code and are members of the CoC. The Hon’ble Appellate Tribunal in Rita Malhotra & Anr. v. Orris Infrastructure Pvt. Ltd., Company Appeal (AT) (Ins.) No. 484 of 2024, has categorically held that the assured returns class of creditors is encompassed within the definition of “allottee”. Accordingly, the allottees who had entered into MOUs with the Corporate Debtor and were entitled to assured returns continue to retain their status as “allottees” under the Code and their entitlement to claim assured returns.
- 33.** The present Application proceeds on the assumption that claimants/homebuyers to whom assured returns had been committed and

paid ought not to have been included in the list of creditors. Since such claims had already been admitted by the erstwhile Resolution Professional, the Answering Respondent cannot now exclude them merely on the basis of allegations made in the Application. The Answering Respondent does not possess the power to rewrite contracts executed by the Corporate Debtor prior to commencement of CIRP, particularly where payments had been accepted from the concerned homebuyers. The contention that such claimants are “proxy claimants” is erroneous, and the said claimants are not related parties of the Corporate Debtor.

- 34.** The status report filed by the Police before the Hon’ble Delhi High Court in CRL.M.C. No. 8265 of 2023 has also been misconstrued by the Applicants. The relevant report records that the case was documentary in nature, that no evidence regarding the allegations of money siphoning and forgery had come on record till that stage, and that the investigation was near completion. Thus, the status report did not return any finding establishing the allegations raised by the Applicants against the assured-return claimants. The attempt to rely upon the said report to characterise legitimate allottees as “proxy claimants” is therefore misconceived and legally impermissible. It is further stated that the Respondent has received the closure report in FIR No. 94 of 2021. The Applicants have deliberately concealed the factum of such closure and cannot

place reliance on the status report while withholding the subsequent closure report so as to prejudice this Adjudicating Authority against the Respondent.

- 35.** Prayer (B) of the present application is not maintainable as the Applicants have already sought a similar relief in I.A. No. 844 of 2025. The doctrine of res sub judice prevents parallel proceedings concerning the same subject matter between the same parties. The principle embodied in Section 10 of the Code of Civil Procedure, 1908, applies in spirit to proceedings under the Code and seeks to prevent multiplicity of proceedings, conflicting decisions and abuse of process.
- 36.** In the present case, the issue relating to furnishing of account statements of unit holders/financial creditors in Project “Spaze Arrow” is already directly and substantially in issue in I.A. No. 844 of 2025. The present Application, insofar as it seeks the same relief, is therefore liable to be rejected at the threshold.
- 37.** Individual homebuyers cannot take a stand contrary to the majority of homebuyers and are required to sail along with the decision of the majority in accordance with the scheme of the Code. Consequently, Prayer (C) sought by the Applicants is not maintainable.
- 38.** The appointment of the Respondent as Resolution Professional was confirmed by this Adjudicating Authority vide order dated 22.01.2025. By way of the

present Application, the Applicants are, in effect, seeking to recall or reopen the said order, which is impermissible. The appointment was not challenged before the Hon'ble Appellate Tribunal and has consequently attained finality.

39. Further, the replacement of an IRP and appointment of a Resolution Professional falls within the domain of the CoC. The CoC is empowered to replace the IRP and appoint a Resolution Professional where the requisite 66% majority is obtained. Therefore, the reliefs seeking interference with or replacement of the Resolution Professional are not maintainable in the manner sought by the Applicants.

40. It was further placed on record that the Applicant No. 1 in the present Application had also filed Application No. 185747/2026 in Writ Petition No. 900/2025 seeking withdrawal of the said writ petition. In the said application, the Petitioner stated that, upon analysing the Transactional Audit Report dated 19.07.2025 prepared by M/s Kansal Singla & Associates, Chartered Accountants, on the instructions of the Resolution Professional, and the Auditor's Certificate dated 29.01.2026 issued by Arora & Bansal, Chartered Accountants, the statutory auditors of the Company, no criminality, siphoning of funds or subvention transactions were found in relation to his individual Unit No. 035, GF, admeasuring approximately 508 sq. ft. of super area in Project Spaze Arrow developed by the Company.

ANALYSIS AND FINDINGS:

- 41.** We have considered the averments made in the Application, the submissions advanced on behalf of the Applicants and the Respondent, and the documents placed on record.
- 42.** The principal issues arising for consideration are whether the alleged “Proxy Claimants” are liable to be excluded from the Committee of Creditors (“CoC”), whether the Applicants are entitled to the account statements sought by way of Prayer (B), and whether the voting undertaken in the third meeting of the CoC dated 09.01.2025 is liable to be set aside.
- 43.** At the outset, it is necessary to note that the constitution of the CoC was undertaken by the erstwhile Resolution Professional after receipt, collation and verification of claims in accordance with Sections 18 and 21 of the Code read with Regulations 13 and 14 of the CIRP Regulations, 2016.
- 44.** The constitution of the CoC, based on the claims verified up to 06.11.2024, was placed before the first meeting of the CoC held on 19.11.2024 and was thereafter placed before this Adjudicating Authority by way of I.A. No. 5676 of 2024, which was taken on record by order dated 09.12.2024. Thus, the composition of the CoC was based upon the claims received and verified in the course of the CIRP.

- 45.** The Applicants essentially seek a re-examination of the claims of certain members of the CoC by characterising them as “Proxy Claimants”. However, the mere allegation that a claimant is a proxy, benamidar or connected with the suspended management cannot, by itself, furnish a basis for exclusion from the CoC. The material placed by the Applicants, including references to alleged disparities in payments, common addresses, assured-return payments and transactions reflected in certain records, may give rise to questions requiring examination, but do not, in the absence of a conclusive determination, establish that the concerned persons are not genuine creditors.
- 46.** The Applicants have particularly relied upon the fact that certain allottees had entered into MOUs providing for assured returns and have contended that such arrangements were in substance investment arrangements and not genuine allotments. This contention cannot be accepted in the manner in which it has been advanced. In *Rita Malhotra & Anr. v. Orris Infrastructure Pvt. Ltd.*, Company Appeal (AT) (Ins.) No. 484 of 2024, decided on 02.07.2024, the Hon’ble NCLAT considered the status of creditors who had been allotted commercial space under an assured-return arrangement and held that such persons continued to fall within the ambit of “allottee” for the purposes of the IBC.

47. The Hon'ble Supreme Court in ***Mansi Brar Fernandes Vs. Shubha Sharma and Anr, 2025 INSC 1110*** in paragraph 18.4.6 has held the following:

“18.4.6. However, it must be clarified that the distinction between speculative investors and genuine homebuyers is relevant only at the stage of initiation of CIRP. Such allottees are not barred from filing claims for the principal amount invested, or from pursuing remedies before other fora in accordance with law.”

48. Therefore, the existence of an assured-return clause, by itself, does not render an allottee ineligible to be treated as a financial creditor or disentitle such person from being included in the CoC. The determination must depend upon the nature of the underlying transaction and the material relating to the particular claim. In the present case, the 89 assured-return allottees were stated to have filed claims arising from their respective transactions with the Corporate Debtor, of which 41 pertained to Project Spaze Arrow. Their claims were examined and admitted by the erstwhile Resolution Professional.

49. The Applicants have referred to individual transactions and have pointed out alleged discrepancies between amounts paid, amounts reflected in certain documents and amounts admitted in the CIRP. Such discrepancies, even if existing, cannot automatically lead to the conclusion that the entire claim is fictitious or that the claimant is a proxy of the suspended management. Claim

verification is undertaken on the basis of the information furnished by the creditor and the records available with the Corporate Debtor. The Resolution Professional is not vested with adjudicatory powers to conclusively determine disputed questions of fraud, benami ownership or criminality. Consequently, where the claims had already been verified and admitted, their exclusion from the CoC cannot be directed merely on the basis of allegations which remain to be established.

- 50.** The contention regarding the alleged unavailability of historical Tally data also does not, by itself, invalidate the claims admitted during the CIRP. The minutes of the CoC relied upon by the Applicants themselves indicate that accounting data for certain periods was available and was under validation, while data for earlier years was stated to have been lost due to a technical issue. The absence of complete accounting records may necessitate further reconciliation or investigation in the course of the CIRP, but it cannot lead to an automatic presumption that claims supported by the documents and information available to the Resolution Professional are fabricated.
- 51.** Equally, the reference to the proceedings before the Hon'ble Delhi High Court and the police status report does not advance the Applicants' case to the extent sought. The Applicants rely upon the status report to contend that the

alleged payment of assured returns to persons who had not paid the entire consideration indicates siphoning of funds and the existence of benamidars.

52. However, the Respondent has placed on record that a subsequent closure report in FIR No. 94 of 2021 was received. The Applicants cannot rely selectively upon an earlier status report while disregarding the subsequent development. More importantly, no material has been placed before us demonstrating that the closure report recorded a finding of criminality, siphoning of funds or forgery against the persons sought to be excluded from the CoC. Thus, the allegations of siphoning or benami transactions cannot be treated as established findings for the purpose of determining CoC membership.

53. The Applicants have also relied upon the alleged relationship of certain claimants with the suspended management and upon TDS entries concerning family members of the suspended directors. The same cannot ipso facto result in exclusion of the concerned persons from the CoC. The question whether a particular creditor is a “related party” within the meaning of the Code has to be determined on the basis of the statutory parameters and the facts pertaining to that creditor. Mere familial relationship, common address, or the existence of financial transactions, without establishing the ingredients

contemplated under the Code, cannot be treated as conclusive proof of ineligibility.

54. The Applicants further seek to set aside Voting Nos. 4A and 4B passed in the third CoC meeting dated 09.01.2025 on the premise that the voting strength of the CoC had been distorted by the inclusion of the alleged Proxy Claimants. Since we have already found that the Applicants have not established, on the material presently before us, that the concerned claimants were ineligible to form part of the CoC, the consequential challenge to the voting exercise also cannot be sustained. A voting decision of the CoC cannot be invalidated merely because one or more members of the CoC are subsequently alleged to have been wrongly admitted, particularly when no adjudication establishing such ineligibility has been placed before us.

55. The Applicants have further sought to connect the impugned voting with the subsequent appointment of Mr. Narender Sharma as Resolution Professional and have alleged that the suspended management influenced the voting through the alleged Proxy Claimants. Such allegations, however, remain just an assertion. The appointment of the Resolution Professional was subsequently confirmed by this Adjudicating Authority vide order dated 22.01.2025. The said order has not been shown to have been challenged before the Hon'ble Appellate Tribunal. The present Application, insofar as it

seeks to reopen the consequences of the said appointment by indirectly questioning the CoC voting on the basis of unsubstantiated allegations, cannot be permitted to operate as a collateral challenge to the order dated 22.01.2025.

56. It is also relevant that the replacement of an Interim Resolution Professional and appointment of a Resolution Professional is ordinarily a matter falling within the statutory scheme governing the CoC, subject to the requisite voting threshold prescribed under the Code. The Adjudicating Authority does not ordinarily substitute its own view for the commercial decision of the CoC unless a specific statutory violation or material irregularity affecting the decision-making process is established. In the present case, no such foundational illegality has been established. Section 27 of the Code reads thus:

“Section 27: Replacement of resolution professional by committee of creditors.

27. (1) Where, at any time during the corporate insolvency resolution process, the committee of creditors is of the opinion that a resolution professional appointed under section 22 is required to be replaced, it may replace him with another resolution professional in the manner provided under this section.

1[(2) The committee of creditors may, at a meeting, by a vote of sixty-six per cent. of voting shares, resolve to replace the resolution professional appointed under section 22 with another resolution professional, subject to a written consent from the proposed resolution professional in the specified form.]

(3) The committee of creditors shall forward the name of the insolvency professional proposed by them to the Adjudicating Authority.

(4) The Adjudicating Authority shall forward the name of the proposed resolution professional to the Board for its confirmation and a resolution professional shall be appointed in the same manner as laid down in section 16.

(5) Where any disciplinary proceedings are pending against the proposed resolution professional under sub-section (3), the resolution professional appointed under section 22 shall continue till the appointment of another resolution professional under this section.”

57. The Applicants have sought an exhaustive forensic audit as the basis for reconstitution of the CoC. However, the reliefs prayed for in the present Application do not seek a general investigation into the affairs of the Corporate Debtor but seek immediate exclusion of identified creditors and annulment of the voting undertaken by the CoC. A direction for investigation cannot be

issued merely on the basis of suspicion so as to retrospectively invalidate claims which have already been verified in the CIRP.

58. Significantly, the Applicants themselves rely upon various pending and concluded proceedings concerning the affairs of the Corporate Debtor. The subsequent closure report in the criminal proceedings is also material in assessing the allegation of siphoning of funds. Further, as placed on record by the Respondent, Applicant No. 1 had sought withdrawal of W.P. No. 900/2025 after referring to the Transactional Audit Report dated 19.07.2025, wherein, in relation to his individual Unit No. 035, GF, in Project Spaze Arrow, no criminality, siphoning of funds or subvention transaction was found. While this finding is confined to the particular unit referred to therein and cannot by itself determine the status of every other transaction, it nevertheless demonstrates that the broad allegations of siphoning cannot be treated as established merely on the basis of the assertions made in the present Application.

59. Further it is borne out of record that the issue of PUFEE transactions is sub judice before the Hon'ble High Court of Delhi in W.P.(C) No. 9094 of 2021 and an investigation under Section 208 of the Companies Act, 2013 has already been undertaken. Thus, if any transaction is found, upon examination in accordance with law, to constitute a preferential, undervalued, fraudulent or

wrongful transaction can be dealt with under the relevant provisions of the Code at the appropriate stage and on the basis of the material available.

60. In view of the foregoing discussion, we find that the Applicants have not established that the seven persons described as “Proxy Claimants” were ineligible to be treated as financial creditors or that their claims were liable to be excluded from the CoC. The allegations relating to assured returns, discrepancies in payments, common addresses, family relationships, incomplete Tally records and alleged siphoning of funds, in the absence of a conclusive finding establishing the ineligibility of the concerned claimants, cannot form the basis for reconstitution of the CoC or annulment of its voting decisions.

61. Accordingly, we find no merit in the present Application. The reliefs sought by the Applicants cannot be granted on the material placed before us. The Application bearing I.A. 843 ND 2025 is, therefore, **dismissed**.

No order as to costs.

-SD/-

**ATUL CHATURVEDI
MEMBER (TECHNICAL)**

-SD/-

**MAHENDRA KHANDELWAL
MEMBER (JUDICIAL)**

IN THE NATIONAL COMPANY LAW TRIBUNAL
NEW DELHI BENCH
COURT-IV

I.A. 844 ND 2025
IN
C.P. IB 284 (PB) OF 2021

IN THE MATTER OF:

VIVEK KHANNA

...Applicant No. 1

RAJEEV CHANDWANI

...Applicant No. 2

NAWAL KUMBHAT

...Applicant No. 3

CHHANDITA WARKARE

...Applicant No. 4

RITESH JAIN

...Applicant No. 5

VEENU GUWALANI

...Applicant No. 6

DAVINDER KAUR

...Applicant No. 7

PARMINDERJIT SINGH

...Applicant No. 8

ANJALI BHATNAGAR

...Applicant No. 9

PRADEEP BHATNAGAR

...Applicant No. 10

VISHAL KAMRA

...Applicant No. 11

BAJAMAHAL PHANI KUMAR

...Applicant No. 12

AMIT BHATNAGAR

...Applicant No. 13

RUCHIKA BEHL

...Applicant No. 14

REKHA SAITH

...Applicant No. 15

MOHD. TUFEL ZAMA

...Applicant No. 16

MOHD. SAKIB ZAMA

...Applicant No. 17

I.A 844 ND 2025

IN

C.P. IB 284 (PB) OF 2021

Date of Order: 05.10.2026

MOHD. SUHEL ZAMA

...Applicant No. 18

NATHU RAM YADAV

...Applicant No. 19

MAHENDRA SINGH

...Applicant No. 20

Versus

**MR. GAURAV KATIYAR
INTERIM RESOLUTION PROFESSIONAL
SPAZE TOWERS PVT. LTD.**

...Respondent

AND IN THE MATTER OF:

VIVEK KHANNA & ORS

...Financial Creditors

Versus

SPAZE TOWERS PVT. LTD.

...Corporate Debtor

Order Pronounced on: 05.10.2026

CORAM:

**SHRI MAHENDRA KHANDELWAL
HON'BLE MEMBER (JUDICIAL)**

**SHRI ATUL CHATURVEDI
HON'BLE MEMBER (TECHNICAL)**

PRESENT:

For the Applicant : Ms. Eshna Kumar, Ms. Astha Agrawal, Advs.

For the RP : Mr. Karan Gandhi, Mr. Sikhar Tiwari, Mr. Pratham
Bansal, Ms. Riya Jain, Ms. Vidhika Kapoor, Advs.

ORDER

PER: ATUL CHATURVEDI, MEMBER (TECHNICAL)

1. The present Application has been filed by the Applicants under Section 21 and Section 60(5) of the Insolvency and Bankruptcy Code, 2016 ("Code") read

with Rule 11 of the National Company Law Tribunal Rules, 2016 ("NCLT Rules, 2016") seeking the following reliefs:

A. Allow the present Application; and

B. Pass an order directing appointment of specific observer or authorised representative for each project of the Corporate Debtor; or pass an order directing appointment of specific observer or authorised representative for Project Spaze Arrow and one for other projects;

C. Pass an order directing for a details forensic audit for account statement of each financial creditor to clearly state how much was paid to the Corporate Debtor and how much has been received by each Financial Creditor,

D. Pass an order for specifically giving account statement of details for project Spaze Arrow for the financial creditor who have filed claims to state how much was paid to the Corporate Debtor and how much has been received in "assured" by each Financial Creditor,

E. Pass an order to set aside Rs. 23 crores being the amount due to original petitioners and that the same be secured by sale of the former corporate office of the Corporate Debtor

F. Pass any other as the Hon'ble Adjudicating Authority deems fit and proper in the interests of justice.

SUBMISSIONS OF THE APPLICANTS:

2. The Applicants are allottees of the project “Spaze Arrow” of Spaze Towers Private Limited (“Corporate Debtor”), which is undergoing CIRP pursuant to order dated 21.10.2024 passed in C.P. (IB) No. 284 of 2021.
3. It is stated that the CoC meetings comprise one authorised representative, the RP and three suspended directors, and that repeated representations concerning various issues remain unaddressed. The claims indicate broadly commercial and residential projects, with a substantial number of claims arising from commercial projects where, despite OC/CC, contractual liabilities remain outstanding. Claims also arise from three residential projects having RERA orders in favour of allottees for delay compensation, although the physical structures are ready.
4. Out of the 14 projects, 12 are stated to be physically complete, while Spaze Arrow remains incomplete and Spaze Delhi is stated to have ceased to form part of the Corporate Debtor’s projects. The Applicants contend that Spaze Arrow allottees are particularly prejudiced by the alleged acts of the suspended directors and by the manner in which the CIRP is being conducted, as they have no effective representation in the process.
5. According to the Applicants, Spaze Arrow is fundamentally different from the other projects. The project was proposed to be developed pursuant to a 2010 collaboration agreement between the landowner and the Corporate Debtor,

but the Corporate Debtor was subsequently ousted from the project pursuant to court orders and no longer has development rights. It is further alleged that the grant of the commercial licence for the land is under investigation, only about 30% of the construction was completed between 2014 and 2017, the existing structure is in violation and requires demolition, the licence has been suspended for unpaid dues and irregularities, the building plan has lapsed, and the project RERA account has a negative balance of approximately Rs.10.5 crore.

6. The Applicants have paid 100% of the consideration to the Corporate Debtor but received nothing in return. Since Spaze Arrow is allegedly incapable of completion, their only recourse is stated to be through the insolvency estate of the Corporate Debtor.
7. It is further stated that, after losing development rights, the Corporate Debtor had earlier settled certain Spaze Arrow allottees by refunding their investments, including Mr. Om Prakash Arora, and by providing alternate units in completed projects such as Spaze Edge and Spaze Boulevard.
8. The Applicants contend that Spaze Arrow allottees cannot be placed on the same footing as claimants from other projects, where the physical structure is substantially complete and/or OC and CC have been obtained. The Spaze Arrow allottees have allegedly paid the builder without receiving any corresponding asset or benefit, whereas other claimants have either received

returns equal to or exceeding their payments or have a physical structure representing their investment.

9. The Corporate Debtor had previously undergone insolvency proceedings in 2021, which were subsequently set aside, and that the suspended directors had, since January 2022, sufficient opportunity to deal with or remove the Corporate Debtor's assets. The Applicants further allege that the corporate office has not been reflected as inventory in the minutes/list of assets and seek protection against its sale.

SUBMISSIONS OF THE RESPONDENT:

10. The RP, Mr. Narender Kumar Sharma, was appointed as the RP of the Corporate Debtor pursuant to the Order dated 22.01.2025. Pursuant to the Order dated 16.03.2026, by which the issue of maintainability was decided, the RP was directed to file reply on merits.
11. The CIRP of the Corporate Debtor was initiated under Section 7 of the Code vide Order dated 21.10.2024, pursuant to the application filed by Vivek Khanna and others, and Mr. Gaurav Katiyar was appointed as the erstwhile IRP. The said order was challenged by the suspended management before the Hon'ble NCLAT. The Hon'ble NCLAT permitted the CIRP to continue and directed constitution of the CoC. Thereafter, the issue as to whether the CIRP could be confined to the "Spaze Arrow" project came to be considered before the Hon'ble NCLAT and the Hon'ble Supreme Court. The prayer for confining

the CIRP to the Spaze Arrow project was rejected by the NCLAT vide Order dated 17.12.2024. The Hon'ble Supreme Court subsequently dismissed the appeal against the said order, agreeing with the view that the CIRP could not, at that stage, be confined to one project, while leaving other contentions open. The appeal against the CIRP commencement order was thereafter withdrawn by the suspended management on 22.08.2025.

12. The Applicants comprise 20 homebuyers out of the original 34 Financial Creditors who had initiated the CIRP and seek appointment of a separate observer/Authorised Representative ("AR") for each project, or alternatively separate representatives for Spaze Arrow and the remaining projects. According to the RP, neither the Code nor the CIRP Regulations contemplate appointment of an observer or separate AR on a project-wise basis. Regulation 4A, Regulation 8A and Regulation 16A provide for appointment and functioning of an AR for a class of creditors. In the present case, three Insolvency Professionals were proposed for appointment as AR and the creditors in the class selected Mr. Shaikh Nafis Anjum, whose appointment was confirmed by this Adjudicating Authority on 09.12.2024. The said appointment was not challenged and has attained finality.

13. The prayer for appointment of project-wise representatives is also stated to be vague and unsupported by any provision of the Code. The RP refers to Regulation 16C, introduced with effect from 03.02.2025, which provides for

appointment of a facilitator for a sub-class within a class where the prescribed conditions are satisfied, including the requisite request from creditors and direction of the CoC. The present request by 20 homebuyers, according to the RP, does not satisfy the statutory mechanism and the Applicants cannot seek to bypass the same by directly approaching the Adjudicating Authority.

14. With respect to the prayer for a forensic audit, the RP states that the issue had already been considered during the CIRP and falls within the statutory framework governing the RP and CoC. In the 2nd CoC meeting, a proposal for appointment of a forensic auditor at an estimated cost of Rs.40 lakh plus applicable expenses and GST was placed before the CoC but was not approved. The voting reported by the AR amongst the real-estate allottees was 31.67% in favour, 64.73% against and 3.60% abstaining.

15. The issue was subsequently revisited in the 4th CoC meeting, where a proposal for appointment of M/s Kansal Singla & Associates as Forensic/Transaction Auditor was placed for examination of the financial and management affairs of the Corporate Debtor for the period from 01.04.2019 to 21.10.2024. The proposal, involving a professional fee of Rs.4.75 lakh plus GST and permissible out-of-pocket expenses, was approved with 100% voting share. The final Forensic/Transaction Audit Report was received on 19.07.2025 and placed before the CoC in its 8th meeting held on 31.07.2025.

16. The forensic/transaction audit did not identify transactions attracting Sections 43, 45, 49, 50 or 66 of the Code, subject to the limitations recorded in the report. The report further recorded that the directors and related parties had infused more funds into the Corporate Debtor than they had withdrawn, resulting in a net increase of approximately Rs.18.67 crore in unsecured loans from directors and their relatives during the relevant period. It also recorded regular payments to secured and operational creditors and did not identify preferential payments or breach of the statutory waterfall. In relation to assured-return arrangements, payments of approximately Rs.1.80 crore to related parties and Rs.13.77 crore to unrelated parties in three projects, namely Spaze Delhi, Corporate Park and Tristaar, were recorded. The RP states that, if any transaction attracting Sections 43, 45, 50 or 66 is identified on further examination, appropriate action under Regulation 35A of the CIRP Regulations would be taken.

17. The Applicants have also sought examination of the claims of other homebuyers and verification of whether such creditors are genuine or speculative. According to the RP, the distinction between genuine and speculative homebuyers is relevant principally in the context of initiation of CIRP, whereas, after commencement of CIRP, the RP is required to verify and collate claims in accordance with the Code and Regulations. Reliance is placed upon the decision in Everlike Real Estate and Developers Pvt. Ltd. v. Mr. Mohit

Goyal, CA RP of Aadi Best Consortium Pvt. Ltd. & Anr., Comp. App. (AT) (Ins.)
No. 978 of 2024.

18.In relation to the prayer seeking account statements showing the amounts paid by individual Financial Creditors to the Corporate Debtor and the amounts received by them, the RP states that there is no provision under the Code or CIRP Regulations requiring disclosure of individual account statements of one Financial Creditor to other homebuyers. The RP is required to collate and verify claims and prepare the list of creditors, while the entitlement of an individual Financial Creditor extends to information concerning its own claim. The Applicants, according to the RP, cannot seek disclosure of the individual financial records of other creditors merely by virtue of being members of the same class.

19.With regard to the prayer concerning Rs.23 crore allegedly due to the original petitioners and the proposed sale of the former corporate office of the Corporate Debtor, the RP states that he has no independent authority to sell the assets of the Corporate Debtor or to appropriate sale proceeds in favour of a particular group of creditors. Any sale or leasing of an asset during CIRP is required to be undertaken in accordance with the Code, the applicable Regulations and the decisions of the CoC. The Applicants cannot claim priority over other stakeholders merely by seeking that a particular asset be sold for satisfaction of their claims. The RP also refers to the discussions

before the CoC concerning the asset stated to be the Corporate Debtor's only asset, namely Tower C, Spazedge, Sector-47, Sohna Road, Gurugram, and states that the CoC had decided that the said asset would not be leased out.

20. The grievance concerning the Spaze Delhi project is stated to be misplaced.

The Corporate Debtor had entered into collaboration agreements dated 04.12.2012 and 09.01.2012 in relation to the development of the project at Sector-114, Gurgaon. Those arrangements were subsequently cancelled vide Cancellation Agreement dated 13.12.2021, pursuant to which the Corporate Debtor either refunded amounts to the concerned buyers or provided alternate units/spaces in other projects. Consequently, according to the RP, the concerned project/plots do not constitute an asset or inventory of the Corporate Debtor as on date. This position was also placed before the CoC in its 6th meeting held on 19.05.2025.

21. The RP further refers to proceedings previously initiated by the Applicants

before the Hon'ble High Court of Delhi in W.P.(C) No. 9094 of 2021, wherein reliefs including investigation by the SFIO, forensic audit of the Corporate Debtor, appointment of a Local Commissioner and refund of amounts paid towards units had been sought. During those proceedings, the Regional Director, Ministry of Corporate Affairs informed the Hon'ble High Court that a final inspection report under Section 208 of the Companies Act, 2013 was

being prepared on the basis of examination of the relevant records and transactions, including possible PUFÉ transactions.

22. Applicant No. 1 thereafter filed CM APPL. Nos. 12291/2026 and 12292/2026 seeking, inter alia, production of the inspection report and other reliefs. Those applications were withdrawn on 23.02.2026 with liberty to pursue an appropriate remedy in accordance with law. Thereafter, I.A. No. 928 of 2026 was filed before this Adjudicating Authority seeking production of the final inspection report and stay of proceedings concerning the Resolution Plan. The said Application was dismissed on 27.02.2026. The RP relies upon the fact that the Hon'ble High Court was already seized of the matter and had not stayed the CIRP or consideration of the Resolution Plan, and that the CIRP is a time-bound process.

23. The RP accordingly states that the Applicants have pursued substantially similar reliefs before different fora without disclosing the complete history of the earlier proceedings. Reliance is placed upon the principles laid down in S.P. Chengalvaraya Naidu v. Jagannath, (1994) 1 SCC 1, Prestige Lights Ltd. v. State Bank of India and K.D. Sharma v. Steel Authority of India Ltd. & Ors. concerning the obligation of a litigant to approach the court with clean hands and make full disclosure of material facts.

24. According to the RP, the Applicants, being only a subset of the Financial Creditors forming part of a class, cannot bypass the statutory mechanism

under the Code and seek to exercise supervisory control over the CIRP. The matters relating to appointment of the AR/facilitator, conduct of forensic or transaction audit, verification of claims and examination of transactions are governed by the Code, the CIRP Regulations and the decisions of the CoC. The forensic audit had already been considered, approved and completed, and the final report did not identify transactions attracting Sections 43, 45, 49, 50 or 66 of the Code.

ANALYSIS AND FINDINGS:

- 25.** We have considered the averments made in the Application, the submissions advanced by the Applicants and the Resolution Professional, and the documents placed on record.
- 26.** At the outset, it is material to note that the CIRP of the Corporate Debtor was initiated pursuant to the order dated 21.10.2024. The attempt of the Applicants to treat Project Spaze Arrow as a separate insolvency estate has already been considered in the proceedings arising from the commencement of CIRP. The Hon'ble NCLAT, by order dated 17.12.2024, declined to confine the CIRP to Project Spaze Arrow, and the Hon'ble Supreme Court thereafter dismissed the appeal against the said order on 02.01.2025. Thus, for the purposes of the present CIRP, the Corporate Debtor is undergoing one insolvency resolution process.

- 27.** The first prayer is for appointment of a separate observer or Authorised Representative for each project, or alternatively one representative for Project Spaze Arrow and another for the remaining projects.
- 28.** The statutory mechanism under Regulations 4A, 8A and 16A of the CIRP Regulations provides for representation of a class of creditors through an Authorised Representative.
- 29.** In the present case, the creditors forming the relevant class had already participated in the prescribed process for selection of the Authorised Representative, and Mr. Shaikh Nafis Anjum was confirmed as the Authorised Representative by this Adjudicating Authority vide order dated 09.12.2024. The Applicants have not demonstrated any statutory infirmity in the said appointment. Nor has any material been placed to establish that the existing Authorised Representative has ceased to discharge his statutory functions in accordance with the Code.
- 30.** The subsequent introduction of Regulation 16C, providing for a facilitator for a sub-class within a class subject to the conditions prescribed therein, also does not confer an independent right upon a group of creditors to seek direct appointment of a project-wise representative from this Adjudicating Authority without following the statutory mechanism. The Applicants have not demonstrated compliance with the conditions contemplated under the said

provision. Accordingly, the prayer for appointment of a separate observer/Authorised Representative cannot be granted.

31. The second principal issue concerns the demand for a detailed forensic audit identifying, creditor-wise, the amounts paid to the Corporate Debtor and the amounts received by each Financial Creditor, including assured-return payments. In this regard, the record demonstrates that the issue of forensic/transaction audit was not ignored during the CIRP. A proposal for appointment of a forensic auditor was considered in the 2nd CoC meeting but did not receive the requisite approval. The matter was subsequently reconsidered in the 4th CoC meeting, wherein the appointment of M/s Kansal Singla & Associates as Forensic/Transaction Auditor was approved with 100% voting share.

32. Pursuant thereto, the Forensic/Transaction Audit Report was received on 19.07.2025 and was placed before the CoC in its 8th meeting held on 31.07.2025. The Applicants have sought a further and more extensive exercise on the premise that the audit ought to determine, creditor-wise, every amount paid to the Corporate Debtor and every amount received by the concerned Financial Creditor. However, a forensic or transaction audit cannot be directed repeatedly merely because the Applicants seek a different level of granularity in the investigation. The relevant consideration is whether the statutory process has been undertaken and whether the material placed

before the Tribunal establishes circumstances warranting a further investigation. In the present case, the Forensic/Transaction Audit Report examined the financial and management affairs of the Corporate Debtor for the period from 01.04.2019 to 21.10.2024. As placed on record, the report did not identify transactions attracting Sections 43, 45, 49, 50 or 66 of the Code, subject to the limitations recorded therein.

33. We also take note of the Applicants' contention that Project Spaze Arrow stands on a different footing from other projects and that its allottees have allegedly paid the entire consideration without receiving possession or any corresponding asset. The difficulties faced by the allottees of Spaze Arrow may undoubtedly be substantial. However, the existence of project-specific difficulties does not, by itself, warrant creation of a separate representative structure or separate accounting mechanism contrary to the statutory framework of the CIRP.

34. The statutory obligation of the Resolution Professional is to receive, collate and verify claims in accordance with the Code and the Regulations and to maintain the relevant records for the purposes of the CIRP. The fact that the Applicants are themselves Financial Creditors does not confer upon them a right to conduct an independent audit of the individual financial affairs of every other creditor. If a specific claim is alleged to be false, inflated or otherwise ineligible, the same has to be established through cogent material

and addressed in accordance with the statutory framework. A general demand for disclosure of all individual account statements cannot be granted merely on the basis of suspicion.

35. The Applicants have also relied upon the allegations concerning the former corporate office of the Corporate Debtor and have sought that Rs.23 crore stated to be due to the original petitioners be secured by sale of the said property. This prayer cannot be granted. The claim of a Financial Creditor against the Corporate Debtor does not confer upon such creditor an exclusive right to a particular asset of the Corporate Debtor, unless a valid security interest or other statutory entitlement to such asset is established.

36. More importantly, the Adjudicating Authority cannot direct the Resolution Professional to sell a particular asset and earmark the sale proceeds exclusively for a particular group of creditors merely because those creditors claim that a specified amount is due to them. The assets of the Corporate Debtor form part of the insolvency estate and are required to be dealt with in accordance with the Code and the resolution process.

37. Attention is drawn to the previous proceedings concerning the affairs of the Corporate Debtor. The Applicants had earlier approached the Hon'ble High Court of Delhi in W.P.(C) No. 9094 of 2021, wherein, inter alia, reliefs relating to investigation, forensic audit and refund of amounts were sought. Subsequent applications were also filed before the Hon'ble High Court and

before this Adjudicating Authority concerning the inspection report and the continuation of the CIRP.

38. The mere fact that an inspection was undertaken, or that an inspection report was under preparation, does not, by itself, establish the existence of fraud, siphoning of funds or other wrongdoing on the part of the Corporate Debtor or its management. Any adverse conclusion arising from such inspection would have to be considered on the basis of the final report and the findings actually recorded therein, and cannot be presumed merely from the factum of inspection. However, if any specific transaction subsequently comes to light which attracts the provisions of the Code, the Resolution Professional remains bound to take such action as may be permissible under the statutory framework.

39. Accordingly, none of the reliefs sought in the present Application warrants interference by this Adjudicating Authority. The Applicants have failed to establish any statutory basis for a separate representative mechanism, a fresh forensic audit, disclosure of individual accounts of other creditors, or preferential protection from the sale of the assets of the Corporate Debtor.

40. Accordingly, the application bearing I.A. 844 ND 2025 is **dismissed**.

-SD/-

**ATUL CHATURVEDI
MEMBER (TECHNICAL)**

-SD/-

**MAHENDRA KHANDELWAL
MEMBER (JUDICIAL)**

IN THE NATIONAL COMPANY LAW TRIBUNAL
NEW DELHI BENCH
COURT-IV

I.A. 3135 ND 2026
IN
C.P. IB 284 (PB) OF 2021

IN THE MATTER OF:

JYOTI RAWAL

...Applicant No. 1

RAJENDER KUMAR MAURYA

...Applicant No. 2

KAVITA MAURYA

...Applicant No. 3

SUBODH JAIN

...Applicant No. 4

Versus

MR. NARENDRA KUMAR SHARMA
RESOLUTION PROFESSIONAL
SPACE TOWERS PVT. LTD.

...Respondent No. 1

THE COMMITTEE OF CREDITORS
SPACE TOWERS PRIVATE LIMITED
THR. ITS CHAIRMAN, MR. NARENDER KUMAR SHARMA

...Respondent No. 2

AND IN THE MATTER OF:

VIVEK KHANNA & ORS

...Financial Creditors

Versus

SPACE TOWERS PVT. LTD.

...Corporate Debtor

Order Pronounced on: 05.10.2026

CORAM:

SHRI MAHENDRA KHANDELWAL
HON'BLE MEMBER (JUDICIAL)

SHRI ATUL CHATURVEDI
HON'BLE MEMBER (TECHNICAL)

PRESENT:

For the Applicant : Mr. Guneet Sidhu, Adv.

For the RP : Mr. Karan Gandhi, Mr. Sikhar Tiwari, Mr. Pratham Bansal, Ms. Riya Jain, Ms. Vidhika Kapoor, Advs.

ORDER

PER: ATUL CHATURVEDI, MEMBER (TECHNICAL)

1. The present Application has been filed by the Applicants under Section 60(5) of the Insolvency and Bankruptcy Code, 2016 ("Code") read with Rule 11 of the National Company Law Tribunal Rules, 2016 ("NCLT Rules, 2016") seeking the following reliefs:

A. Direct the commissioning of a fresh, independent and comprehensive Transaction Review/Forensic Audit of the Corporate Debtor to be conducted by a credible agency such as Grant Thornton/BDO/KPMG/EY or any other independent auditor as deemed fit by this Hon'ble Tribunal; and/or

B. Set aside and/or reject the Resolution Plan filed in IA(Plan)/68/ND/2025, as the participation of the erstwhile management in the resolution process is impermissible in view of the findings recorded

in the TAR and the unresolved issue of their eligibility under Section 29A of the Code, 2016; and/or

C. Direct the replacement of Respondent No. 1, Mr. Narender Kumar Sharma, as Resolution Professional of the Corporate Debtor and direct the Committee of Creditors to propose, within a time-bound period, the name of an independent insolvency professional for appointment as Resolution Professional in his place, who shall thereafter carry out the reliefs sought herein;

D. Direct the Resolution Professional to initiate appropriate avoidance and recovery proceedings under Sections 43, 45, 49, 50, 66 and other applicable provisions of the Insolvency and Bankruptcy Code, 2016 against the ex-management, related parties and other beneficiaries of fraudulent transactions. strictly in accordance with Regulation 35A of the CIRP Regulations; and/or

E. Direct the Resolution Professional to forthwith take custody, control and recovery of all books of account, financial records and data of the Corporate Debtor, including but not limited to Tally accounting data, CRM records, bank statements, vouchers, ledgers, statutory registers, audit reports and electronic records, for the entire period from inception of the Corporate Debtor till the insolvency commencement date; and/or

F. Pass any such other order(s) as it may deem fit and proper in the interests of justice.

2. We have considered the reliefs sought in the present Application and the issues raised by the Applicants. It is observed that the reliefs and issues forming the subject matter of the present Application have already been considered and adjudicated upon by this Adjudicating Authority in the New Intervention Petition/49/ND/2026 vide order dated 05.08.2026, I.A. 3457/ND/2025 vide order dated 05.10.2026, and I.A. 1637/ND/2026 vide order dated 05.10.2026. The issues concerning the alleged deficiencies in the records and accounts of the Corporate Debtor, the conduct and actions of the Resolution Professional, the alleged transactions of the erstwhile management, the initiation of appropriate proceedings in respect thereof, and the other consequential reliefs sought against the Resolution Professional and the resolution process have already been dealt with in the aforesaid proceedings.
3. Further it is borne out of record that the issue of PUFÉ transactions is sub judice before the Hon'ble High Court of Delhi in W.P.(C) No. 9094 of 2021 and an investigation under Section 208 of the Companies Act, 2013 has already been undertaken. Thus, if any transaction is found, upon examination in accordance with law, to constitute a preferential, undervalued, fraudulent or

wrongful transaction can be dealt with under the relevant provisions of the Code at the appropriate stage and on the basis of the material available.

4. In view of the aforesaid orders, no further adjudication on the same issues is warranted in the present Application.
5. Accordingly, the present application bearing I.A. 3135/ND/2026 stands **dismissed**.

-SD/-

**ATUL CHATURVEDI
MEMBER (TECHNICAL)**

-SD/-

**MAHENDRA KHANDELWAL
MEMBER (JUDICIAL)**

IN THE NATIONAL COMPANY LAW TRIBUNAL
NEW DELHI BENCH
COURT-IV

I.A. 2344 ND 2026 & I.A. 2600 ND 2026

IN

I.A. 4728 ND 2025

IN

C.P. IB 284 (PB) OF 2021

IN THE MATTER OF:

Consortium of AKB Ventures Private Limited

...Applicant No. 1

And

Sustainable Projects Private Limited

...Applicant No. 2

Versus

**Narender Kumar Sharma
Resolution Professional of
Spaze Towers Private Limited**

...Respondent

AND IN THE MATTER OF:

VIVEK KHANNA & ORS

...Financial Creditors

Versus

SPAZE TOWERS PVT. LTD.

...Corporate Debtor

Order Pronounced on: 05.10.2026

CORAM:

**SHRI MAHENDRA KHANDELWAL
HON'BLE MEMBER (JUDICIAL)**

**SHRI ATUL CHATURVEDI
HON'BLE MEMBER (TECHNICAL)**

I.A. 2600 ND 2026 & I.A. 2344 ND 2026

IN

I.A. 4728 ND 2025

IN

C.P. IB 284 (PB) OF 2021

Date of Order: 05.10.2026

PRESENT:

For the Applicant : Mr. Gurcharan Singh, Mr. Amardeep Singh, Advs.

For the RP : Mr. Karan Gandhi, Mr. Sikhar Tiwari, Mr. Pratham Bansal, Ms. Riya Jain, Ms. Vidhika Kapoor, Advs.

ORDER

PER: ATUL CHATURVEDI, MEMBER (TECHNICAL)

I.A. 2600 ND 2026

1. The present Application has been filed by the Applicants under Rule 11 of the National Company Law Tribunal Rules, 2016 ("NCLT Rules, 2016") seeking the following reliefs:

a allow the present Interlocutory Application;

b allow the Applicants to amend the prayer clause(s) as stated in para 10 of the present application and take on record the amended Interlocutory Application I.A. No. 2344/2026 in I.A. No. 4728/2025 in CP(IB) No. 284(PB)/2021.

c. pass such other or further order(s) as this Hon'ble Tribunal may deem fit and proper in the facts and circumstances of the present case.

SUBMISSIONS OF THE APPLICANTS:

2. This Tribunal, vide its order dated 27.05.2026, allowed the applicants to make amendment in the Original Interlocutory Application. In compliance therewith, the Applicants have sought to amend the prayer clause so as to specifically incorporate the case number references, as set out herein below:

I.A. 2600 ND 2026 & I.A. 2344 ND 2026

IN

I.A. 4728 ND 2025

IN

C.P. IB 284 (PB) OF 2021

Date of Order: 05.10.2026

Old Prayer Clause:

"PRAYER

In light of the foregoing facts and circumstances, the Applicant humbly prays that this Hon'ble Tribunal may be pleased to:

- a) pass direction to substitute the name **"Consortium of AKB Ventures Private Limited and Sustainable Projects Private Limited"** be changed to **"Consortium of AKB Ventures LLP and Sustainable Projects Private Limited"** in the Memo of Parties for all purposes of further proceedings.
- b) pass such other or further orders as this Hon'ble Tribunal may deem fit and proper in the interests of justice and equity."

Amended Prayer Clause:

"PRAYER

In light of the foregoing facts and circumstances, the Applicants humbly prays that this Hon'ble Tribunal may be pleased to:

- a) pass direction to substitute the name **"Consortium of AKB Ventures Private Limited and Sustainable Projects Private Limited"** be changed to **"Consortium of AKB Ventures LLP and Sustainable Projects Private Limited"** in the Memo of Parties **in I.A. No. 4728/2025 in CP(IB) No. 284(PB)/2021** for all purposes of further proceedings.
- b) pass such other or further orders as this Hon'ble Tribunal may deem fit and proper in the interests of justice and equity."

3. The aforesaid amended prayer clause does not alter the nature, scope, or substance of the relief already sought before this Tribunal. The amendment is confined to the insertion of specific case number references (i.e., I.A. No.

I.A. 2600 ND 2026 & I.A. 2344 ND 2026

IN

I.A. 4728 ND 2025

IN

C.P. IB 284 (PB) OF 2021

Date of Order: 05.10.2026

4728/2025 in CP(IB) No. 284(PB)/2021) so as to remove any ambiguity and does not introduce any new or additional substantive relief beyond what has already been prayed for in the Original Interlocutory Application.

SUBMISSIONS OF THE RESPONDENT:

4. The present Application seeks amendment of the prayer clause in I.A. No. 2344/2026 and taking I.A. No. 2344/2026 on record in I.A. No. 4728/2025. By I.A. No. 2344/2026, the Applicant seeks substitution of the consortium member, AKB Ventures Private Limited, with AKB Ventures LLP and consequential amendment of the Memo of Parties. The Applicant had earlier filed I.A. No. 6208/2025 seeking substitution of AKB Ventures Private Limited with Prodigious Estates Private Limited, which was withdrawn vide order dated 27.04.2026. Thereafter, the Applicant disclosed that Prodigious Estates Private Limited had changed its name to AKB Ventures Private Limited and was subsequently converted into AKB Ventures LLP with effect from 21.01.2026.
5. The factum of amalgamation of AKB Ventures Private Limited with Prodigious Estates Private Limited came to the knowledge of the Resolution Professional only upon filing of I.A. No. 6208/2025. Despite the amalgamation having taken effect, the Applicant continued to prosecute I.A. No. 4728/2025 in the name of AKB Ventures Private Limited and filed a rejoinder dated 27.11.2025 in the name of an entity which, according to the Applicant's own case, had

ceased to exist as a separate legal entity. The Applicant did not disclose the material development either to the Adjudicating Authority or to the Resolution Professional at the relevant stage and subsequently sought to cure the omission through successive applications for substitution. Such conduct demonstrates suppression of material facts and lack of bona fides.

6. During the CIRP, Form G was issued on 29.05.2025 for 13 projects along with the company, 12 projects along with the company, and Project Arrow separately. The Applicant submitted its EOI for 12 projects along with the company on 12.06.2025 and its name was included in the provisional and final list of PRAs. Two resolution plans were thereafter received in the said category, including the plan submitted by the consortium of AKB Ventures Private Limited and Sustainable Projects Private Limited. In the 12th CoC meeting held on 15.10.2025, both plans were found compliant with Section 30(2) of the Code and placed for voting. The plan submitted by the consortium of Harpal Singh Chawla, Vipin Sharma, Bharat Bhushan Kumar and Deepak Kumar was approved with 96.42% voting share, whereas the Applicant's plan received 0.00% voting share and was rejected. The Plan Approval Application, I.A. No. 68/2025, is pending adjudication.
7. The Applicant had also undertaken, while submitting its EOI, to continue meeting the eligibility criteria and intimate the Resolution Professional of any change in the information furnished along with the EOI, which may affect its

ability to participate, within three business days of such change. No such intimation regarding the proposed amalgamation or subsequent change in legal status was furnished. The failure to disclose the material development was in breach of the undertaking furnished by the Applicant and vitiates its conduct in the CIRP.

8. The RFRP defines “Resolution Applicant(s)” as an entity shortlisted based on the EOI and, in case of a consortium, its members collectively. AKB Ventures Private Limited, which participated as a PRA, subsequently stood amalgamated with Prodigious Estates Private Limited and ceased to exist as an independent legal entity. It therefore no longer falls within the definition of “Resolution Applicant” under the RFRP.
9. Regulation 39(1)(b) of the CIRP Regulations, 2016 provides that the CoC shall not consider a resolution plan received from a person who does not appear in the final list of prospective resolution applicants. In *Ashdan Properties Pvt. Ltd. v. Mamta Binani (RP) & Ors.*, the Hon’ble Appellate Tribunal held that a resolution plan from a person whose name does not appear in the list of PRAs cannot be considered and, in the absence of a fresh Form G, a new applicant cannot be permitted to participate in the CIRP and submit a resolution plan. In *Swan Energy Ltd. v. Chandan Prakash Jain (RP) & Ors.*, it was held that a person who was not part of the CIRP process cannot be substituted as the Successful Resolution Applicant. Similarly, in *JV Asset Reconstruction*

Company Ltd. & Anr. v. Aircel Ltd. through its Monitoring Committee, rejection of an application seeking substitution of another entity in place of the Successful Resolution Applicant was upheld, which order was also affirmed by the Hon'ble Supreme Court.

10. In view of the aforesaid, the resolution plan filed by AKB Ventures Private Limited cannot be considered and the Applicant cannot seek substitution of the entity with AKB Ventures LLP. The Applicant has not approached the Adjudicating Authority with clean hands and has withheld material facts concerning the amalgamation, change of name and subsequent conversion into an LLP, while continuing proceedings in the name of the erstwhile entity. The present Application is therefore devoid of merit and liable to be dismissed, with the connected applications being considered in light of the same facts and circumstances.

I.A. 2344 ND 2026

11. The present Application has been filed by the Applicants under Rule 11 of the National Company Law Tribunal Rules, 2016 ("NCLT Rules, 2016") seeking the following reliefs:

a) pass direction to substitute the name "Consortium of AKB Ventures Private Limited and Sustainable Projects Private Limited" be changed to "Consortium of AKB Ventures LLP and Sustainable Projects Private Limited" in the Memo of Parties for all purposes of further proceedings.

I.A. 2600 ND 2026 & I.A. 2344 ND 2026

IN

I.A. 4728 ND 2025

IN

C.P. IB 284 (PB) OF 2021

Date of Order: 05.10.2026

b) pass such other or further orders as this Hon'ble Tribunal may deem fit and proper in the interests of justice and equity.

SUBMISSIONS OF THE APPLICANT:

- 12.** Vide order dated 27.10.2025 of the Regional Director (Northern Region), the scheme of amalgamation of AKB Ventures Private Limited (Transferor Company) with Prodigious Estates Private Limited (Transferee Company) under Section 233 of the Companies Act, 2013 had been approved and confirmed.
- 13.** The said order stipulates that all the Legal or other proceedings of AKB Ventures Private Limited shall be continued and enforced by or against Prodigious Estates Private Limited with effect from the effective date and AKB Ventures Private Limited stands dissolved without winding up.
- 14.** In light of the amalgamation, AKB Ventures Private Limited ceased to exist as a legal entity and all rights, obligations and proceedings stood transferred to Prodigious Estates Private Limited.
- 15.** Subsequently, the name of Prodigious Estates Private Limited was duly changed to AKB Ventures Private Limited with effect from 06.12.2025, consequent upon the amalgamation.
- 16.** Subsequently, AKB Ventures Private Limited was converted into AKB Ventures LLP, and with effect from 21.01.2026, the said entity stands duly

registered as a Limited Liability Partnership under the Limited Liability Partnership Act, 2008.

17. In light of the order dated 27.10.2025, Certificate of Incorporation pursuant to change of name, issued under Rule 29 of the Companies (Incorporation) Rules, 2014, dated 06.12.2025 and Certificate of Registration on Conversion pursuant to Section 58(1) of the Limited Liability Partnership Act, 2008 dated 21.01.2026 the name "Consortium of AKB Ventures Private Limited and Sustainable Projects Private Limited" be changed to "Consortium of AKB Ventures LLP and Sustainable Projects Private Limited".

18. The proposed amendment does not alter the nature of reliefs or the scope of adjudication in the Interlocutory Application and will not cause prejudice to any party.

ANALYSIS AND FINDINGS:

I.A. 2600 ND 2026

19. By way of the present application, the Applicants seek amendment of the prayer clause of I.A. No. 2344/2026 so as to specifically incorporate the references to I.A. No. 4728/2025 and C.P. (IB) No. 284(PB)/2021 and to take the amended application on record.

20. It is noted that this Adjudicating Authority, vide order dated 27.05.2026, had permitted the Applicants to carry out the amendment in the Original Interlocutory Application. The amendment now sought is confined to

I.A. 2600 ND 2026 & I.A. 2344 ND 2026

IN

I.A. 4728 ND 2025

IN

C.P. IB 284 (PB) OF 2021

Date of Order: 05.10.2026

incorporation of the specific case number references and is intended to remove any ambiguity regarding the proceedings in which the relief is sought.

21. The proposed amendment neither introduces a fresh cause of action nor enlarges the nature or scope of the relief originally sought in I.A. No. 2344/2026. No substantive prejudice is demonstrated to have been caused to the Respondent by incorporation of the aforesaid case number references.

22. Accordingly, I.A. No. 2600/2026 is **allowed** and the amended prayer clause of I.A. No. 2344/2026 is taken on record. The amended pleadings shall form part of the record.

I.A. 2344 ND 2026

23. In view of the findings recorded by this Adjudicating Authority in I.A. No. 2343/2026, wherein the same issue concerning the amalgamation, subsequent change of name and conversion of AKB Ventures Private Limited into AKB Ventures LLP has already been considered, the objections raised by the Respondent do not warrant a different view in the present Application. The distinction between substitution of a PRA and correction/substitution of the party in pending proceedings has already been dealt with therein.

24. Accordingly, in light of the findings recorded in I.A. No. 2343/2026, the present Application, being **I.A. No. 2344/2026**, is also **allowed**.

25. The Applicants are permitted to substitute the name “Consortium of AKB Ventures Private Limited and Sustainable Projects Private Limited” with

“Consortium of AKB Ventures LLP and Sustainable Projects Private Limited” in the Memo of Parties of I.A. No. 4728/2025. The amended memo of parties is taken on record and shall form part of the record.

26. It is clarified that the present substitution is only for the purpose of reflecting the present legal status of the Applicant and shall not be construed as permitting induction of a new PRA, submission of a fresh Resolution Plan, or conferring any additional rights upon the Applicants in the CIRP. No order as to costs.

27. Accordingly, **I.A. No. 2600/2026 is allowed and I.A. No. 2344/2026 is allowed** in the limited terms indicated hereinabove.

-SD/-

**ATUL CHATURVEDI
MEMBER (TECHNICAL)**

-SD/-

**MAHENDRA KHANDELWAL
MEMBER (JUDICIAL)**

IN THE NATIONAL COMPANY LAW TRIBUNAL
NEW DELHI BENCH
COURT-IV

I.A. 2343 ND 2026 & I.A. 2604 ND 2026

IN

I.A. 5202 ND 2025

IN

C.P. IB 284 (PB) OF 2021

IN THE MATTER OF:

Consortium of AKB Ventures Private Limited

...Applicant No. 1

And

Sustainable Projects Private Limited

...Applicant No. 2

Versus

**Narender Kumar Sharma
Resolution Professional of
Spaze Towers Private Limited**

...Respondent No.1

Mr. Devendra Bhardwaj

...Respondent No. 2

Mr. Vivek Sharma

...Respondent No. 3

AND IN THE MATTER OF:

VIVEK KHANNA & ORS

...Financial Creditors

Versus

SPAZE TOWERS PVT. LTD.

...Corporate Debtor

Order Pronounced on: 05.10.2026

CORAM:

**SHRI MAHENDRA KHANDELWAL
HON'BLE MEMBER (JUDICIAL)**

I.A 2343 ND 2026 & I.A. 2604 ND 2026

IN

I.A. 5202 ND 2025

IN

C.P. IB 284 (PB) OF 2021

Date of Order: 05.10.2026

**SHRI ATUL CHATURVEDI
HON'BLE MEMBER (TECHNICAL)**

PRESENT:

For the Applicant : Mr. Gurcharan Singh, Mr. Amardeep Singh, Advs.

For the RP : Mr. Karan Gandhi, Mr. Sikhar Tiwari, Mr. Pratham
Bansal, Ms. Riya Jain, Ms. Vidhika Kapoor, Advs.

ORDER

PER: ATUL CHATURVEDI, MEMBER (TECHNICAL)

I.A. 2604 ND 2026

1. The present Application has been filed by the Applicants under Rule 11 of the National Company Law Tribunal Rules, 2016 ("NCLT Rules, 2016") seeking the following reliefs:

a allow the present Interlocutory Application;

b allow the Applicants to amend the prayer clause(s) as stated in para 10 of the present application and take on record the amended Interlocutory Application I.A. No. 2343/2026 in I.A. No. 5202/2025 in CP(IB) No. 284(PB)/2021.

c. pass such other or further order(s) as this Hon'ble Tribunal may deem fit and proper in the facts and circumstances of the present case.

I.A 2343 ND 2026 & I.A. 2604 ND 2026

IN

I.A. 5202 ND 2025

IN

C.P. IB 284 (PB) OF 2021

Date of Order: 05.10.2026

SUBMISSIONS OF THE APPLICANTS:

2. This Tribunal, vide its order dated 27.05.2026, allowed the applicants to make amendment in the Original Interlocutory Application. In compliance therewith, the Applicants have sought leave to amend the prayer clause so as to specifically incorporate the case number references, as set out hereinbelow.

Old Prayer Clause:

"PRAYER

In light of the foregoing facts and circumstances, the Applicant humbly prays that this Hon'ble Tribunal may be pleased to:

- a) pass direction to substitute the name **"Consortium of AKB Ventures Private Limited and Sustainable Projects Private Limited"** be changed to **"Consortium of AKB Ventures LLP and Sustainable Projects Private Limited"** in the Memo of Parties for all purposes of further proceedings.
- b) pass such other or further orders as this Hon'ble Tribunal may deem fit and proper in the interests of justice and equity."

Amended Prayer Clause:

"PRAYER

In light of the foregoing facts and circumstances, the Applicants humbly prays that this Hon'ble Tribunal may be pleased to:

- a) pass direction to substitute the name **"Consortium of AKB Ventures Private Limited and Sustainable Projects Private Limited"** be changed to **"Consortium of AKB Ventures LLP and Sustainable Projects Private Limited"** in the Memo of Parties **in I.A. No. 5202/2025 in CP(IB) No. 284(PB)/2021** for all purposes of further proceedings.
- b) pass such other or further orders as this Hon'ble Tribunal may deem fit and proper in the interests of justice and equity."

I.A 2343 ND 2026 & I.A. 2604 ND 2026

IN

I.A. 5202 ND 2025

IN

C.P. IB 284 (PB) OF 2021

Date of Order: 05.10.2026

3. The aforesaid amended prayer clause does not alter the nature, scope, or substance of the relief already sought before this Hon'ble Tribunal. The amendment is confined to the insertion of specific case number references (i.e., I.A. No. 5202/2025 in CP(IB) No. 284(PB)/2021) so as to remove any ambiguity and does not introduce any new or additional substantive relief beyond what has already been prayed for in the Original Interlocutory Application.

SUBMISSIONS OF THE RESPONDENT:

4. The present Application has been filed seeking amendment of the prayer clause contained in I.A. No. 2343 of 2026 and taking on record I.A. No. 2343 of 2026 in I.A. No. 5202 of 2025. By I.A. No. 2343 of 2026, the Applicant sought substitution of the consortium member, namely AKB Ventures Private Limited, with AKB Ventures LLP and amendment of the Memo of Parties in I.A. No. 5202 of 2025 accordingly. The Applicant had earlier filed I.A. No. 6205 of 2025 seeking substitution of AKB Ventures Private Limited with Prodigious Estate Private Limited, which was subsequently withdrawn vide order dated 27.04.2026.
5. The factum of amalgamation of AKB Ventures Private Limited with Prodigious Estate Private Limited came to the knowledge of the Answering Respondent only upon filing of I.A. No. 6205 of 2025. The Scheme of Amalgamation had

an appointed date of 01.04.2025 and AKB Ventures Private Limited stood amalgamated with Prodigious Estate Private Limited with effect from 22.10.2025. Thereafter, Prodigious Estate Private Limited changed its name to AKB Ventures Private Limited and subsequently, with effect from 21.01.2026, was converted into AKB Ventures LLP. Prior thereto, despite the amalgamation having taken effect, the Applicant neither disclosed the material fact to the Adjudicating Authority nor informed the Resolution Professional at any stage of the CIRP. The conduct of the Applicant demonstrates suppression of a material fact and lack of bona fides, as the Applicant continued to prosecute the proceedings in the name of AKB Ventures Private Limited and sought substitution only at a belated stage.

6. During the CIRP, the Resolution Professional issued Form G on 29.05.2025 for (a) 13 Projects along with Company, (b) 12 Projects along with Company, and (c) Project Arrow alone. The CoC, in its 6th meeting held on 19.05.2025, decided to invite separate EOIs for the aforesaid categories. The Applicant submitted its EOI for 12 Projects along with Company on 12.06.2025 and its name was included in the provisional as well as final list of PRAs published on 22.06.2025 and 07.07.2025 respectively.
7. Two Resolution Plans were received under the category of 12 Projects along with Company, namely, the Consortium of M/s AKB Ventures (P) Ltd. & M/s

Sustainable Projects (P) Ltd. and the Consortium of Mr. Harpal Singh Chawla, Mr. Vipin Sharma, Mr. Bharat Bhushan Kumar & Mr. Deepak Kumar. In the 12th CoC meeting held on 15.10.2025, both Resolution Plans were examined and found compliant with Section 30(2) of the Code and were placed before the CoC for consideration. The Resolution Plan submitted by the Consortium of Mr. Harpal Singh Chawla, Mr. Vipin Sharma, Mr. Bharat Bhushan Kumar & Mr. Deepak Kumar was approved with 96.42% voting share, whereas the Applicant's plan received 0.00% votes and was rejected. E-voting commenced on 19.10.2025 and concluded on 21.10.2025. The Plan Approval Application, I.A. No. 68 of 2025, is pending adjudication.

8. The Applicant has not approached the Adjudicating Authority with clean hands. Despite the Scheme of Amalgamation having been approved by the Regional Director on 27.10.2025, the Applicant continued the proceedings in the name of an entity which had ceased to exist as a separate legal entity, while withholding the material fact from the Adjudicating Authority and the Resolution Professional. The Applicant thereafter filed successive applications seeking substitution. Such conduct amounts to suppression of material facts and disentitles the Applicant from claiming equitable or discretionary relief.
9. The Applicant also failed to disclose, while participating as a PRA, that AKB Ventures Private Limited was proposed to be amalgamated with Prodigious

Estate Private Limited. The Applicant's EOI specifically contained an undertaking to continue meeting the eligibility criteria throughout the process and to intimate the Resolution Professional of any change in the information provided within three business days of such change. No such intimation was provided. The failure to disclose the material development constitutes a breach of the undertaking furnished by the Applicant and vitiates its conduct in the CIRP process.

10. As per the RFRP, "Resolution Applicant(s)" means an entity shortlisted based on the EOI and, in case of a consortium, the members of the consortium are collectively referred to as the Resolution Applicant. AKB Ventures Private Limited, having since been amalgamated and having ceased to exist as an independent legal entity, no longer falls within the definition of "Resolution Applicant" under the RFRP.

11. Regulation 39(1) of the CIRP Regulations, 2016 provides that the Committee shall not consider a resolution plan received from a person who does not appear in the final list of prospective resolution applicants. Reliance is placed on Ashdan Properties Pvt. Ltd. v. Mamta Binani (RP) & Ors., wherein the Hon'ble Appellate Tribunal held that a resolution plan received from an applicant whose name does not appear in the list of PRAs cannot be

considered and, where no fresh Form G has been issued, it is not open to a new applicant to submit a resolution plan before the Adjudicating Authority.

12. Reliance is further placed on *Swan Energy Ltd. v. Chandan Prakash Jain (RP) & Ors.*, wherein it was held that a Resolution Plan received from a person who does not appear in the final list of PRAs cannot be considered and an SRA cannot be substituted with another entity which was not part of the CIRP process. Reliance is also placed on *JV Asset Reconstruction Company Ltd. & Anr. v. Aircel Ltd.* through its Monitoring Committee, wherein the application seeking substitution of another entity in place of the SRA was rejected, and the Hon'ble Supreme Court dismissed the appeal against the said order.

13. In view of the aforesaid facts and circumstances, the Resolution Plan filed by AKB Ventures Private Limited cannot be considered. The present Application seeking substitution is devoid of merit and liable to be dismissed with exemplary cost, along with the connected applications filed against the Answering Respondent. The Applicant has withheld material facts regarding the amalgamation, subsequent change of name and conversion into AKB Ventures LLP, continued to prosecute proceedings in the name of the erstwhile entity and sought to cure the defect through successive applications for substitution. Such conduct amounts to suppression of material facts and abuse of the process of the Adjudicating Authority and disentitles the

Applicant from equitable or discretionary relief. The present Application deserves to be dismissed in limine with exemplary costs.

I.A. 2343 ND 2026

14. The present Application has been filed by the Applicants under Rule 11 of the National Company Law Tribunal Rules, 2016 ("NCLT Rules, 2016") seeking the following reliefs:

a) pass direction to substitute the name "Consortium of AKB Ventures Private Limited and Sustainable Projects Private Limited" be changed to "Consortium of AKB Ventures LLP and Sustainable Projects Private Limited" in the Memo of Parties for all purposes of further proceedings.

b) pass such other or further orders as this Hon'ble Tribunal may deem fit and proper in the interests of justice and equity.

SUBMISSIONS OF THE APPLICANTS:

15. Vide order dated 27.10.2025 of the Regional Director (Northern Region), the scheme of amalgamation of AKB Ventures Private Limited (Transferor Company) with Prodigious Estates Private Limited (Transferee Company) under Section 233 of the Companies Act, 2013 had been approved and confirmed.

16. The said order stipulates that all the Legal or other proceedings of AKB Ventures Private Limited shall be continued and enforced by or against

Prodigious Estates Private Limited with effect from the effective date and AKB Ventures Private Limited stands dissolved without winding up.

17.In light of the amalgamation, AKB Ventures Private Limited ceased to exist as a legal entity and all rights, obligations and proceedings stood transferred to Prodigious Estates Private Limited.

18.Subsequently, the name of Prodigious Estates Private Limited was duly changed to AKB Ventures Private Limited with effect from 06.12.2025, consequent upon the amalgamation.

19.Subsequently, AKB Ventures Private Limited was converted into AKB Ventures LLP, and with effect from 21.01.2026, the said entity stands duly registered as a Limited Liability Partnership under the Limited Liability Partnership Act, 2008.

20.In light of the order dated 27.10.2025, Certificate of Incorporation pursuant to change of name, issued under Rule 29 of the Companies (Incorporation) Rules, 2014, dated 06.12.2025 and Certificate of Registration on Conversion pursuant to Section 58(1) of the Limited Liability Partnership Act, 2008 dated 21.01.2026 the name "Consortium of AKB Ventures Private Limited and Sustainable Projects Private Limited" be changed to "Consortium of AKB Ventures LLP and Sustainable Projects Private Limited" in **I.A. 5202 ND 2025**.

21. The proposed amendment does not alter the nature of reliefs or the scope of adjudication in the Interlocutory Application and will not cause prejudice to any party.

22. ANALYSIS AND FINDINGS:

I.A. No. 2604/2026

23. The Applicants have sought leave to amend the prayer clause of I.A. No. 2343/2026 by incorporating the specific references to I.A. No. 5202/2025 and C.P. (IB) No. 284(PB)/2021 and to take the amended application on record.

24. It is noted that this Adjudicating Authority, vide order dated 27.05.2026, had already permitted the Applicants to carry out the amendment in the Original Interlocutory Application. The amendment now sought is confined to incorporation of the relevant case number references so as to correctly identify the proceedings in which the relief is sought.

25. The proposed amendment does not introduce any fresh cause of action, alter the nature of the relief sought, or enlarge the scope of I.A. No. 2343/2026. The Respondent has also not demonstrated any independent prejudice which would be caused by permitting such amendment.

26. Accordingly, I.A. No. 2604/2026 is allowed and the amended prayer clause in I.A. No. 2343/2026 is taken on record. The amended pleadings shall form part of the record.

I.A. No. 2343/2026

- 27.** We now proceed to consider I.A. No. 2343/2026, whereby the Applicants seek substitution of the name “Consortium of AKB Ventures Private Limited and Sustainable Projects Private Limited” with “Consortium of AKB Ventures LLP and Sustainable Projects Private Limited” in the Memo of Parties of I.A. No. 5202/2025.
- 28.** The Applicants have placed on record the order dated 27.10.2025 passed by the Regional Director (Northern Region), whereby the Scheme of Amalgamation of AKB Ventures Private Limited with Prodigious Estates Private Limited was approved. It is stated that pursuant to the said amalgamation, the rights, obligations and proceedings of AKB Ventures Private Limited stood transferred to Prodigious Estates Private Limited and AKB Ventures Private Limited stood dissolved without winding up.
- 29.** It is further placed on record that Prodigious Estates Private Limited subsequently changed its name to AKB Ventures Private Limited with effect from 06.12.2025 and thereafter the said entity was converted into AKB Ventures LLP with effect from 21.01.2026 under the Limited Liability Partnership Act, 2008.
- 30.** The Respondent has opposed the application on the ground that the Applicants failed to disclose the amalgamation during the CIRP and continued

to prosecute the proceedings in the name of AKB Ventures Private Limited despite the said entity having ceased to exist as a separate legal entity. It is further contended that the Applicant had undertaken, as part of the EOI process, to intimate the RP of any change in the information furnished by it and that the failure to disclose the amalgamation demonstrates suppression of a material fact.

31. The Respondent has further relied upon Regulation 39(1) of the CIRP Regulations and the decisions in Ashdan Properties Pvt. Ltd. v. Mamta Binani (RP) & Ors., Swan Energy Ltd. v. Chandan Prakash Jain (RP) & Ors. and UV Asset Reconstruction Company Ltd. & Anr. v. Aircel Ltd. through its Monitoring Committee, to contend that a Resolution Applicant who was not part of the final list of PRAs cannot be substituted in the resolution process.

32. The aforesaid objection, however, has to be examined keeping in view the limited nature of the relief sought in the present application. I.A. No. 2343/2026 does not seek permission for AKB Ventures LLP to enter the CIRP as a new PRA, nor does it seek substitution of an altogether different entity for the purpose of submitting a fresh Resolution Plan. The relief is confined to correction of the description of the Applicant in the Memo of Parties of a pending interlocutory proceeding, consequent upon subsequent corporate restructuring.

- 33.** The distinction between substitution of a Resolution Applicant for the purpose of the CIRP and substitution/correction of the name of a party in pending judicial proceedings is material. The authorities relied upon by the Respondent deal with the former situation, namely, consideration of a Resolution Plan submitted by an entity which was not part of the final list of PRAs or substitution of an SRA by an entity which had not participated in the CIRP. The present application does not seek such a relief.
- 34.** The documents placed on record indicate a chain of corporate succession, namely, amalgamation of AKB Ventures Private Limited with Prodigious Estates Private Limited, subsequent change of name of the transferee company to AKB Ventures Private Limited and thereafter conversion into AKB Ventures LLP. The present application seeks to reflect the existing legal status of the entity which is prosecuting the pending proceedings.
- 35.** As regards the allegation of non-disclosure, the failure of the Applicants to inform the RP or this Adjudicating Authority regarding the amalgamation at the relevant stage is a matter which has been specifically raised by the Respondent. Such conduct may be relevant while considering the Applicants' conduct in the CIRP. However, the same does not prevent this Adjudicating Authority from correctly recording the present legal identity of the party in

pending proceedings, particularly when the amendment neither introduces a new substantive claim nor seeks to alter the Resolution Plan process.

36. The present amendment also does not confer upon AKB Ventures LLP any independent status as a PRA or any right to submit or modify a Resolution Plan. It merely ensures that the proceedings before this Adjudicating Authority are continued in the name of the entity which, according to the documents placed on record, is the successor entity.

37. Accordingly, I.A. No. 2343/2026 is **allowed** and the Applicants are permitted to substitute the name “Consortium of AKB Ventures Private Limited and Sustainable Projects Private Limited” with “Consortium of AKB Ventures LLP and Sustainable Projects Private Limited” in the Memo of Parties of I.A. No. 5202/2025. The amended memo of parties is taken on record and shall form part of the record.

38. It is clarified that the aforesaid substitution is only for the purpose of correctly describing the party in the pending proceedings and shall not be construed as permitting substitution of a Resolution Applicant in the CIRP, consideration of a fresh Resolution Plan, or conferring any additional right upon the Applicants in relation to the resolution process.

39. Accordingly, the **I.A. No. 2604/2026 is allowed** and **I.A. No. 2343/2026 is allowed** in the limited terms indicated hereinabove.

-SD/-

**ATUL CHATURVEDI
MEMBER (TECHNICAL)**

-SD/-

**MAHENDRA KHANDELWAL
MEMBER (JUDICIAL)**