NATIONAL COMPANY LAW APPELLATE TRIBUNAL
PRINCIPAL BENCH, NEW DELHI

Company Appeal (AT) (Insolvency) No. 257 of 2026
&
I.A. No. 4686 of 2026

IN THE MATTER OF:

Sanjay Kumar Singh,
Suspended Director of
Eskay Properties Development Private Limited ...Appellant

Versus

Srijan Realty Pvt. Ltd. & Anr. ...Respondents

Present:

For Appellant : Mr. Palash S. Singhai, Mr. Saurav Agrawal, Mr. Ajay Sharma, Mr. Harshal Sareen and Ms. Aashima Gautam, Advocates.

For Respondents : Ms. Shreya Choudhary, Advocate for IRP.

Mr. Supriyo Gole, Mr. Arijit Mazumdar, Ms. Anoushka Dey and Ms. Madhuja Barmar, Advocates.

O R D E R
(Hybrid Mode)

14.08.2026:

I.A. No. 4686 of 2026

In

Company Appeal (AT) (Insolvency) No. 257 of 2026

1. This is an application moved by the suspended director of the Corporate Debtor seeking the following reliefs in the present appeal:

> *"(a) allow the present Application;*
>
> *(b) Pass appropriate directions quashing the Corporate Insolvency Resolution Process against the Corporate Debtor;*

(c) set aside the Impugned Order dated 29.01.2026 passed by the Ld. Adjudicating Authority in C.P. (IB) No. 85/KB/2023;

(d) any such other relief as this Hon'ble Tribunal may deem fit in the interest of justice;"

2. The Corporate Debtor, Respondent No.1 and Khaitan Lefin Limited entered into Development Agreement dated 13.06.2015, wherein it was agreed the Respondent No. 1 would develop/construct two new buildings i.e., the Saleable Building and Mahabodhi Society's Building on a property bearing no. 7 & 7/1, Keytala Lane, Kolkata – 700019, owned by the Corporate Debtor. The Development Agreement provided upon the development of Saleable Building and the saleable areas in the Saleable Building and all other spaces would be shared between the parties in the manner provided in the Development Agreement.

3. Clause *9.1* of the Development Agreement provided the Respondent No.1 was to deposit a sum of Rs.*5,00,00,000/-* as adjustable and refundable deposit with the corporate debtor. Accordingly, respondent No. 1 deposited a sum of Rs.*5,00,00,000/-* as adjustable and refundable deposit with corporate debtor.

4. The Respondent No.1 by its letter dated 23.12.2017, terminated the Development Agreement and requested the Corporate Debtor to refund the aforesaid sum of Rs.*5,00,00,000/-* along with interest.

5. Between 31.05.2019 and 21.06.2022, Corporate Debtor made payment of Rs.*4,42,00,000/-* to the Respondent No.1. On 31.03.2023, Respondent No. 1 filed Company Petition (IB) No.*85/2023* before Ld. Adjudicating Authority, Kolkata under Section *7* of Insolvency and

Bankruptcy Code, 2016 seeking initiation of Corporate Insolvency Resolution Process against the Corporate Debtor claiming financial debt of Rs.*8,55,87,895.* (Rs.*5,00,00,000/-* towards Security Deposit and Rs. 3,55,87,895/- towards interest calculated at the rate of 15% per annum).

6. During the pendency of Section *7* Petition before the Ld. Adjudicating Authority, Corporate Debtor remitted an additional sum of Rs.*98,00,000/-* towards security deposit to the Respondent No.1. Thus, Corporate Debtor made total payment of Rs.*5,40,00,000/-* to Respondent No.1. The Ld. Adjudicating Authority vide impugned order initiated the CIRP against Corporate Debtor and appointed Mr. Manish Jain as an Interim Resolution Professional of the Corporate Debtor.

7. On 06.02.2026, the captioned appeal was listed for hearing before this Tribunal, where parties submitted they were taking steps to resolve the issues. This Tribunal by its order dated *06.02.2026* directed no further steps be taken in pursuance of the impugned order and listed the appeal for hearing on 10.03.2026.

8. However, the applicant/appellant and Respondent No.1 entered into Settlement Agreement on *23.02.2026,* wherein it was agreed the applicant would pay total sum of Rs.*10,51,16,338/-* to Respondent No. 1 for full and final settlement between Corporate Debtor and Respondent No.1 in accordance with the payment terms provided in Clause *3* of the Settlement Agreement. Further, Clause *4* of the Settlement Agreement provides upon the fulfilment of payment obligations as set forth in Clause *3* of the Settlement Agreement and on occurrence of settlement completion date, the

Respondent No. 1 would withdraw the said Company Petition. The copy of Settlement Agreement executed between the applicant/appellant and Respondent No. 1 is annexed as Annexure *A-1* to the application.

9. Pursuant to the Settlement Agreement, the applicant had made a payment of Rs.*9,00,00,000/-* to Respondent No. 1, which had been accepted by the Respondent No.1. For completeness the payment is made by M/s. Khaitan Hotels Pvt. Ltd. on behalf of applicant. Details of payment of Rs.*9,00,00,000/-* made by the applicant/appellant to respondent is as follows:-

Sr. No.	***Date of payment***	***Mode of payment / UTR No.***	***Amount (INR)***
1.	*24.02.2026*	*Through Cheque UTR No. : SBINR52026022417794839*	*2,50,00,047.20*
2.	*25.02.2026*	*Through Cheque UTR No. : SBINR5202602251794140*	*2,50,00,047.20*
3.	*30.03.2026*	*Through Cheque UTR No.: SBINR52026033022184053*	*2,00,00,047.20*
4.	*24.04.2026*	*Through Cheque UTR No.: SBINR52026042425440994*	*2,00,00,047.20*
Total			***9,00,00,000/-***

Copy of Statement showing transfer of Rs.*9,00,00,000/-* to Respondent No. 1 is annexed as Annexure *A-2* to the application.

10. Upon the payment of Rs.*9,00,00,000/-* by the appellant to the Respondent No. 1, the appellant and respondent No. 1 had a discussion regarding the settlement, wherein it was agreed between the parties the payment of Rs.*9,00,00,000/-* is considered as full and final settlement between the parties in place of Rs.*10,51,16,338/-* as agreed in the Clause *2*

of the Settlement Agreement. The parties effectively amended the Clause *2* & *3* of the Settlement Agreement by reducing the Settlement Amount from Rs.*10,51,16,338/-* to Rs.*9,00,00,000/-* and it was agreed the last date of payment i.e., 24.04.2026 would be the settlement completion date for the purpose of the Settlement Agreement.

11. In terms of the agreement between the parties after the execution of the Settlement Agreement, the applicant has paid the entire Settlement Amount to the Respondent No. 1 and hence the settlement completion date has occurred. Therefore, Clause *4 (a)* to *(d)* of the Settlement Agreement has triggered, which discharge the Corporate Debtor from any and all claims in relation to the impugned order and the Company Petition and also the claim of Respondent No.1 against the Corporate Debtor ceased to exist, thus requests for setting aside of CIRP.

12. The Corporate Debtor has total *5* creditors, which as confirmed from the audited balance sheet of Corporate Debtor for the year ended on 31.03.2025. It is stated that *4* out of *5* creditors have already given no objection for withdrawal of the CIRP of the Corporate Debtor. Copy of affidavits of *4* creditors of corporate debtor giving no objection for withdrawal of the CIRP of corporate debtor are annexed as Annexure *A-3* (Colly) to the application.

13. Heard.

14. The IRP has also filed his notes of submission wherein it is stated that after making the public announcement on 06.02.2026, he has received only

one claim from Respondent No. 1 itself and as the settlement has taken place between the parties the IRP has no objection in case CIRP is closed as even the amount of fee and expenses incurred by the IRP has since been received by the IRP.

15. Thus, as the appellant has paid the entire settlement amount to Respondent No. 1 and all the claims of Respondent No. 1 against the Corporate Debtor are extinguished and all the creditors of the Corporate Debtor have given no objection for closure of the CIRP, therefore, the CIRP against the Corporate Debtor is prayed to be set aside.

16. This Tribunal in the matter of ***'Gaurav Bhatia (Suspended Director of Bird Consultancy Service Pvt. Ltd.)' Vs. 'Smriti Bhatia & Ors.', [Company Appeal (AT) (Insolvency) No. 881 - 882 of 2025]*** had closed the CIRP of Corporate Debtor in view of Settlement Agreement executed between the parties. Paragraphs *7* & *8* of the judgment are as follows:

> *"7. Keeping in view the aforesaid facts and circumstances coupled with the law laid down by this Court in the case of Sachin Malde (Supra), we are of the considered opinion that in the absence of any claim made by the creditors other than the one who have filed the application under Section 7, despite the fact that due publication was made by the IRP, this court can exercise jurisdiction for settling the dispute between the parties, before this court, in spite of asking the financial creditor to file an application under Section 12A of the Code in terms of the decision of the Hon'ble Supreme Court in the case of Glass Trust Company LLC (Supra).*
>
> *8. Consequently, the present appeal is hereby disposed of by setting aside the impugned order".*

17. Thus, considering the settlement arrived at between the appellant and respondents and the IRP did not receive any claim after public

announcement dated 06.02.2026 and also that settlement between the parties is arrived at prior to *26.05.2026* the date Section *12A* of the IBC amendment is made effective; we are inclined to close the CIRP, hence the application along with the appeal stands disposed of. Pending applications are also disposed of.

[Justice Yogesh Khanna]
Officiating Chairperson

[Barun Mitra]
Member (Technical)

[Ajai Das Mehrotra]
Member (Technical)

himanshu/md