NATIONAL COMPANY LAW APPELLATE TRIBUNAL NEW DELHI

Company Appeal (AT) (Insolvency) No. 119 of 2018

IN THE MATTER OF:

Rajendra K. Bhuta (Resolution Professional)

...Appellant

Versus

Maharashtra Housing & Area
Development Authority (MHADA)

...Respondent

Present:

For Appellant: Mr. A.K. Sinha, Senior Advocate assisted by

Mr. Ashish Verma, Advocate

For Respondents: Mr. Arun Kathpalia, Senior Advocate assisted by

Mr. Chirag M. Shroff, Mr. Shardul Singh and

Ms. Neha Sangwan, Advocates

ORDER

12.07.2018 Mr. Arun Kathpalia, learned Senior Advocate along with Mr. Chirag Shroff appeared on behalf of the Maharashtra Housing & Area Development Authority (for short, 'MHADA'). Learned counsel for the appellant served a copy of the paper-book on the counsel appearing on behalf of the MHADA, who will assist the Court on the next date.

By order dated 31st May, 2018, we granted liberty to the 'Resolution Professional' to submit all the 'resolution plans' which are in consonance with Section 30(2) before the 'Committee of Creditors', who were directed to decide whether one or other 'resolution plan' is to be approved or not and if approved, the 'Resolution Professional' was required to place such approved plan before the Adjudicating Authority for its approval or a rejection under Section 31 of the Insolvency and Bankruptcy Code, 2016 (hereinafter referred to as the '**1&B Code**'). It is informed that 'resolution plan' submitted by the successful

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'resolution applicant' has been approved by the 'Committee of Creditors', which

refers to land in question which belongs to 'MHADA' and was earlier allotted to

the 'Corporate Debtor' for development. The Adjudicating Authority has not yet

gone through the said 'resolution plan' to find out whether it is in accordance

with Section 30(2) of the I&B Code.

The 'Resolution Professional' is directed to place the approved 'resolution

plan' before the Adjudicating Authority who on verification of all aspects and

hearing the parties including the counsel for MHADA will pass appropriate order

under Section 31 of the I&B Code preferably within two weeks from the date of

production of this order. If any objection raised by MHADA is rejected, reasons

is to be recorded.

We make it clear that the 'agreement for development' executed between

the 'MHADA' and the 'Corporate Debtor', which has been cancelled legality and

proprietary of such cancellation cannot be decided by the Adjudicating Authority

or by this Appellate Tribunal (NCLAT). Such question can be decided only by a

Court of competent jurisdiction, therefore, the Adjudicating Authority will not

deliberate on such issue and leave it open.

Post the case for 'orders' on 6th August, 2018.

[Justice S.J. Mukhopadhaya] Chairperson

[Justice Bansi Lal Bhat] Member (Judicial)

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