

**NATIONAL COMPANY LAW TRIBUNAL
CHANDIGARH BENCH, (COURT-I), CHANDIGARH**

**I.A.(IBC)/634(CH)/2024
in
CP (IB) No. 49/Chd/Pb/2019
(Admitted)**

[Application under section 60(5) of the Insolvency and Bankruptcy Code, 2016]

IN THE MATTER OF I.A. 634 of 2024:

Pardeep Kumar

S/o Rameshwar Dass
R/O House No. 263, Ward No.12,
Rani Di Kothi Opposite PWD Rest House,
Sangrur-148001
Email-goelp414@gmail.com

...Applicant

Vs.

Rajeev Bhambari,

Resolution Professional of Future Colonisers and Construction Ltd.

Having its office at SCO no. 9, 2nd floor, Jandu Tower, Millerganj,
Ludhiana- 141003,
Email id- futurecirp@gmail.com

...Respondent No.1

M/S Master Trust Limited,

Having Its Registered Office at Master Chambers 19, 3rd Floor,
Feroz Gandhi Market, Ludhiana, 141001

...Respondent No.2

IN THE MAIN MATTER OF:

Master Trust Limited

...Petitioner/Financial Creditor

Vs.

Future Colonisers and Construction Ltd.

...Corporate Debtor

Order delivered on: 05.05.2026

**Coram: MR. KHETRABASI BISWAL, MEMBER (JUDICIAL)
MR. SHISHIR AGARWAL, MEMBER (TECHNICAL)**

Present:

For the Applicant: Mr. Aalok Jagga, Advocate
Mr. Sahil Lohan, Advocate
Mr. APS Madaan, Advocate
Mr. Aryaman Jagga, Advocate
Mr. Madhav Singhal, Advocate

For the RP/Respondent No.1: Mr. Karanveer Jindal, Advocate

**PER: SH. KHETRABASI BISWAL, MEMBER (JUDICIAL)
SH. SHISHIR AGARWAL, MEMBER (TECHNICAL)**

ORDER

The present Application has been filed by Pardeep Kumar (hereinafter referred to as **the Applicant**), Suspended Director of the Corporate Debtor i.e M/s Future Colonisers and Constructions Ltd (hereinafter referred to as **the CD**) under section 60(5) of the insolvency and Bankruptcy Code, 2016 (hereinafter referred to as **the Code**) praying for dismissal of IA No. 1100 of 2023 filed by Resolution Professional (hereinafter referred to as the **Respondent No.1/RP**) u/s 30(6) of the Code seeking approval of resolution plan and to set aside the 5th meeting of Committee of Creditors (hereinafter referred to as the CoC) held on 09.02.2023 vide which illegally, the resolution plan had been approved.

2. The facts of the case, as stated in the Application are as under:

(a) The Applicant submitted that the Corporate Insolvency Resolution Process (CIRP) against the CD was initiated vide order dated 13.10.2022, and Respondent No.1 was appointed as Interim Resolution Professional, later confirmed by the CoC. Form-G was issued and the last date for submission of resolution plans was 08.02.2023.

(b) The Applicant further submitted that upon taking control of the affairs of the CD, the RP examined its assets and liabilities and was aware that the CD owns a land situated at Village Mattewara, Tehsil and District Ludhiana, acquired on 08.03.2010 for Rs. 2,45,25,000/-. The existence of this land was within the knowledge of the RP as reflected in earlier proceedings. The present approximate value of the land is stated to be around Rs. 2.55 crores as per collector rates.

(c) It is further submitted that a resolution plan was submitted by Respondent No.2, a financial creditor holding 91.35% voting share in the CoC, with an admitted claim of Rs. 16,54,41,809/-. Other creditors include Vision Investment (8.06%) and Punjab and Sind Bank (0.57%), with the total admitted claims of Rs. 18,11,01,229/-.

(d) The Applicant further submitted that in para no.8 at Page 7 of IA No. 1100 of 2023 of the resolution plan, the plan incorrectly states that the CD has no fixed or immovable assets. The information memorandum and resolution plan allegedly record only movable assets valued at Rs. 4,18,025/-, which are claimed to be non-existent, while the value of the land has been shown as zero. The plan value is Rs. 50 lakhs, out of which Rs. 10 lakhs is allocated towards CIRP costs and Rs. 40 lakhs towards financial creditors, with the majority portion allocated to

Respondent No.2 itself. It is contended that the statement in the information memorandum that the CD possesses no assets is factually incorrect, in view of the registered sale deed showing that the CD has substantial land situated at Village Mattewara, Tehsil and District Ludhiana, purchased for a consideration of Rs. 2,45,25,000/-. The Applicant further submitted that not only is the information memorandum erroneous, but the resolution plan submitted by Respondent No. 2, which proceeds on the assumption that no immovable property exists and offers a resolution amount of Rs. 50 lakhs, is also vitiated. The said resolution plan, being founded on an incorrect assessment and wrongful presumption regarding the absence of landed property, is therefore invalid.

(e) The Applicant further submitted that the liquidation value mentioned in Form-H (Rs. 49,34,332/-) as per Page-92 of IA No. 1100 of 2023 is incorrect as it does not take into account the value of the aforesaid land.

(f) It is further submitted that although the resolution plan claims absence of immovable assets, it simultaneously provides that all movable and immovable properties of the Corporate Debtor shall vest in the resolution applicant free from encumbrances, thereby indicating knowledge of such assets and an attempt to acquire them without proper valuation.

(g) It is further submitted that despite knowledge of the land asset as early as 08.12.2022, the RP failed to include the same in the information memorandum or the resolution plan, even though the process documents were prepared thereafter. The Applicant contends that commercial wisdom of the CoC cannot be upheld where material facts are suppressed or incorrectly presented, and that approval of a plan based on incomplete or incorrect information is legally unsustainable.

(h) It is further stated that a substantial claim of Rs. 135,94,96,779/- belonging to the CD, pending in the CIRP of Chandigarh Overseas Pvt. Ltd., has not been considered in the information memorandum or the resolution plan, though reflected in the list of creditors. The Applicant alleges failure on the part of the RP to take appropriate steps regarding this claim. The Applicant asserts that the RP failed in its statutory duties under Sections 18 and 20 of the Code to preserve and protect the assets and value of the Corporate Debtor.

(i) It is further alleged that the resolution plan violates multiple provisions of the CIRP Regulations, including Regulation 35 (fair and liquidation value), Regulation 36 (correct information memorandum), Regulation 35A (avoidance transactions), and Regulation 37 (treatment of assets), and is therefore contrary to Section 30(2)(f) of the Code.

3. The Respondent No.1 in its Reply and SWS has made the following submissions which are summarized below;

(a) The Respondent No.1 submitted that the present Application is filed with the intent to stall the approval of the Resolution Plan, which was approved by the Committee of Creditors on 09.02.2023 and is pending before this Tribunal. The Application is premised on the allegation that the value of land situated at Mattewara, Ludhiana was not considered in the Information Memorandum; however, the Applicant has concealed the material fact that the said sale deed has already been declared illegal, null and void, without consideration and a sham transaction by order dated 28.03.2018 passed by the Ld. Additional District Judge, Ludhiana in Case No. CA/846/2016 and CA No. 47 of 2016. It is further submitted that the Respondent is unaware of any appeal against the said

judgment. Moreover the Applicant has attached only the copy of the sale deed and not its original deed.

(b) The Respondent No.1 also submitted that the Applicant had categorically stated that the CD had no fixed assets or immovable property when specifically questioned about the land at Mattewara, Ludhiana. This statement was recorded in the minutes of the 1st CoC meeting held on 10.11.2022, where the Applicant was represented by Mr. Gurdev Bassi, and the said minutes were duly served upon the Applicant. The Respondent No.1 further submitted that even in the e-mail dated 11.11.2022 sent by the Applicant to the Respondent No. 1 in reference to the discussions held in the 1st CoC meeting, the Applicant has maintained that there are no fixed assets in the Company.

(c) The Respondent No.1 further submitted that the alleged land is not reflected in the audited balance sheet as on 31.03.2022 nor in the unaudited balance sheet as on the CIRP initiation date i.e. 12.10.2022, and the Applicant himself had stated in the CoC meeting dated 10.11.2022 and in email dated 11.11.2022 that the Corporate Debtor owns no land. The Respondent No.1 further submitted that no original title deed or record of the land was ever furnished to the Respondent No.1, and even in response to PUFEE proceedings, the Applicant admitted that possession was not with the Corporate Debtor and the asset had been written off. It is submitted that the land at Mattewara, Ludhiana was traced only through income tax records by the RP and not from any disclosure by the Applicant, and despite repeated queries including under Section 19(2), the Applicant denied existence of any such asset. It is further stated that till approval of the resolution plan by the CoC on 09.02.2023, no record of the land was available except old tax

entries, and the present application, filed after more than 1.5 years, is a belated and frivolous attempt to delay the CIRP.

4. The Applicant has filed the rejoinder which is summarized as under:

(a) The Applicant submitted that as far as the Judgment of Additional District Judge, Ludhiana is concerned, it is submitted that the said Order is already subject matter of appeal before the Hon'ble High Court.

Analysis and Findings

5. We have heard the Ld. Counsels for all parties and considered the arguments presented on behalf of the parties and also their respective petitions, replies, and written submissions and have also gone through the relevant legal provisions of laws.

6. The following issues arise for determination:

(i) whether the Resolution Plan is vitiated on account of non-consideration of the alleged land at Mattewara, Ludhiana; and

(ii) whether non-consideration of the claim of the Corporate Debtor in the CIRP of Chandigarh Overseas Pvt. Ltd. renders the Resolution Plan invalid.

7. It is observed that the CIRP of the Corporate Debtor was initiated on 13.10.2022 and the Resolution Plan came to be approved by the CoC on 09.02.2023 with requisite majority. The present Application has been filed by the Suspended Director seeking to set aside the approval of the Resolution Plan and the CoC meeting, primarily on the ground of alleged suppression and non-consideration of certain assets.

Issue No. 1:

8. The primary contention of the Applicant is that the Corporate Debtor owns land at Village Mattewara valued at approximately Rs. 2.55 crores, which has not been reflected in the Information Memorandum or the Resolution Plan, thereby vitiating the process.

Firstly, it is an admitted position that the said land was neither reflected in the last audited balance sheet as on 31.03.2022 nor in the unaudited financial statements as on the insolvency commencement date, which were admittedly prepared and signed by the Applicant himself. This omission assumes significance as the Applicant, being in control of the affairs of the Corporate Debtor prior to CIRP, was under a statutory obligation to disclose true and correct financial information.

Secondly, the record reveals that during the 1st CoC meeting held on 10.11.2022, the Applicant was represented by Mr. Gurdev Basi wherein the following facts were taken note of by the members-

"IRP visited the Registered Office of the Company in Rani Di Kothi, House No. 263, Ward No. 12, Opposite PWD Rest House, Sangrur - Punjab, along with his team on 15.10.2022, however, it was found to be a residential house of Director of CD - Mr. Pardeep Kumar, in which no one was present except one female member. We were informed that no activity is being done from this location. After talking to Mr. Pardeep Kumar, Director of CD, on phone, he promised to cooperate and provide all the requisite information/records. We were also informed that CD does not have any fixed assets or immovable properties."

Further vide subsequent e-mail dated 11.11.2022, the Applicant stated regarding the assets of the CD as-

“This is with reference to the discussions held in 1st meeting with Mr. Gurdev Bassi Representative of Mr. Pardeep kumar. member of suspended board on 10.11.2022. We want to submit as follows:- 1. With respect to the assets depicting in the balance sheet are not physically available and was mainly used at site and consummated at site itself.”

The above facts clearly shows that the Applicant was informed to give information regarding the assets of the CD and to cooperate with the RP by providing documents/records/ information of the CD, but the Applicant failed to provide the information about the land which he is now claiming to be the land of CD. The Applicant being the suspended director of the CD was legally bound to give information regarding the relevant immovable property of CD, which he now states to be the land of CD, at the relevant point of time when the RP was collecting records of the CD.

Thirdly, no original title deeds or credible evidence of ownership of the said land were ever furnished to the Resolution Professional during the CIRP period . Even as per the submissions of the Respondent No.1, the only trace of such land was an entry in old income tax records, which, in absence of supporting title deeds, could not have been relied upon for inclusion in the Information Memorandum. Further, it has come on record that the alleged sale deed pertaining to the said land had already been declared illegal, null and void, and a sham transaction by the competent civil court vide order dated 28.03.2018 . The Applicant has failed to

disclose this material fact in the present Application. In such circumstances, the very basis of claiming ownership over the said land becomes untenable.

In view of the above, this Tribunal finds that the RP cannot be faulted for not including the alleged land in the Information Memorandum or in the Resolution Plan also, particularly when (i) no reliable records were made available, (ii) the Applicant himself denied existence of such asset, and (iii) the underlying transaction stood declared void by a competent civil court. The contention of the Applicant regarding undervaluation or suppression of assets is therefore devoid of any merit.

Issue No. 2:

9. As regards to issue No.2 pertaining to non-consideration of a claim of approximately Rs. 135.94 crores filed by the Corporate Debtor in the CIRP of Chandigarh Overseas Pvt. Ltd.

In this regard, it is noted that the Resolution Plan of the Corporate Debtor was approved by the CoC on 09.02.2023, whereas the insolvency proceedings of Chandigarh Overseas Pvt. Ltd. were admitted subsequently on 27.02.2023 . The claim in question was filed thereafter on 13.03.2023, i.e., after approval of the Resolution Plan. Moreover, the said claim was only partially admitted to the extent of Rs. 19.17 crores as a related party operational debt, and the same was challenged in I.A. No. 1148 of 2024 which has been dismissed by this Tribunal vide Order dated 13.03.2026. It is also brought on record that the Resolution Plan of Chandigarh Overseas Pvt. Ltd. has already been approved by its CoC and no

amount is proposed therein towards the claim of the present Corporate Debtor. Therefore, in such circumstances, we are of the considered view that contingent and uncertain claims, particularly those filed subsequent to approval of the Resolution Plan of the present CD, cannot be made a ground to invalidate the Resolution Plan. The Resolution Professional cannot be expected to factor in hypothetical or indeterminate recoveries. Moreover, now at this stage as the I.A. No. 1148 of 2024 has already been dismissed and no further claim of CD was directed to be paid, this contention of the Applicant that the claim of Rs. 135 crores was not considered by the RP is infructuous.

10. The Applicant has further alleged violations of multiple provisions of the CIRP Regulations, including Regulation 35 (determination of fair and liquidation value), Regulation 36 (preparation of an accurate Information Memorandum), Regulation 35A (identification and treatment of avoidance transactions), and Regulation 37 (treatment of assets), contending that the same are in contravention of Section 30(2)(f) of the Code. Insofar as the said contention is concerned, this Tribunal shall examine the compliance with the aforesaid provisions at the stage of consideration and adjudication of the Resolution Plan, which is presently pending before this Tribunal as these provisions cannot be examined at this stage.

11. In light of the findings recorded above, it is seen that the Resolution Professional has acted on the basis of available records and disclosures made by the ex-management of the Corporate Debtor. No material irregularity or illegality has been established in the conduct of the CIRP. On the contrary, the conduct of the Applicant raises serious concerns. The Applicant has taken inconsistent

stands, failed to disclose material facts including the judgment declaring the sale deed void, and has approached this Tribunal at a belated stage after approval of the Resolution Plan by the CoC. Such conduct attracts the doctrine of suppression and lack of clean hands. Further, it is well settled that the commercial wisdom of the CoC is paramount and is not to be interfered with unless the Resolution Plan is found to be in contravention of Section 30(2) of the Code.

12. In view of all the above, there is no merit in the application. Accordingly, **I.A. (I.B.C) No. 634 of 2024** is **dismissed** and **disposed of**.

Sd/-

(SHISHIR AGARWAL)
MEMBER (TECHNICAL)

Sd/-

(KHETRABASI BISWAL)
MEMBER (JUDICIAL)
Sudesh