

IN THE NATIONAL COMPANY LAW TRIBUNAL, BENGALURU BENCH

[Through Physical hearing/VC Mode (Hybrid)]

ITEM No.1
IA (IBC) 159/2026
CP(IB) No. 170/BB/2025

IN THE MATTER OF:

M P Krishnan ... Petitioner
Vs.
M/s. Frontier Shelters Pvt. Ltd ... Respondent

Petition under Sec 7 of IBC 2016

Order delivered on: 18.06.2026

CORAM:

SHRI. SUNIL KUMAR AGGARWAL
HON'BLE MEMBER (JUDICIAL)

SHRI. RADHAKRISHNA SREEPADA
HON'BLE MEMBER (TECHNICAL)

PRESENT:

For the Petitioner : Adv. Saji P John
For the Respondent : Shri. G. Satyanarayana CA

ORDER

IA 159/2026

Vide Separate order the impleadment application moved by the petitioner is **dismissed**.

CP (IB) 170/2025

1. Arguments heard.
2. Even though the Ld. Counsel for applicants in IA 159/2026 is left with no locus standi to address the matter yet we have heard him.
3. List on **22.06.2026** for orders.

-Sd-
RADHAKRISHNA SREEPADA
MEMBER (TECHNICAL)

Jones

-Sd-
SUNIL KUMAR AGGARWAL
MEMBER (JUDICIAL)

IN THE NATIONAL COMPANY LAW TRIBUNAL, BENGALURU BENCH

(Exercising powers of Adjudicating Authority under
The Insolvency and Bankruptcy Code, 2016)
(through physical hearing/web based video-conferencing platform)

I.A No. 159/2026 in CP (IB) No.170/BB/2025

(Application under sub-section (5) of section 60 of the Insolvency and Bankruptcy Code, 2016 read with rule 11 of the National Company Tribunal Rules, 2016.)

IN THE MATTER OF:

DINABANDHU CHAKRABORTY AND ORS

Home Buyers of FRONTIER HEIGHTS

Rep. by Authorized Representative Dinabandhu Chakraborty ... Applicant

Versus

M.P. KRISHNAN

... Respondent

IN THE MAIN MATTER OF:

M.P. KRISHNAN

... Petitioner

Versus

M/S. FRONTIER SHELTERS PVT. LTD.

Having registered office at: 41, Vittal

Mallya Road, Bengaluru, Karnataka– 560001 ... Respondent

Order delivered on: 18/06/2026

CORAM:

1. Shri Sunil Kumar Aggarwal, Hon'ble Member (Judicial)
2. Shri Radhakrishna Sreepada, Hon'ble Member (Technical)

ORDER

1. The present Application was filed on 27.02.2026 for the following reliefs:
 - a) To implead the Applicant as party in the above-captioned Company Petition.
 - b) Pass such order/ directions this Hon'ble Bench may deem fit and proper in the facts and circumstances of the case.
2. The present Application has been filed under Section 60(5) of the Insolvency and Bankruptcy Code, 2016 read with Rule 11 of the National Company Law Tribunal Rules, 2016 seeking impleadment of the Applicants in CP (IB) No.170/BB/2025.
3. Brief Facts of the case stated in support of the Application are as follows:

- a. The Applicants state that they are homebuyers/ allottees in the real estate project “Frontier Heights” being developed by M/s Frontier Shelters Pvt. Ltd. (“Corporate Debtor”) and are represented through their Authorised Representative, Mr. Dinabandhu Chakraborty.
- b. It is submitted that the Respondent herein has filed the above-captioned Company Petition under Section 7 of the Code claiming himself to be a homebuyer/allottee of the Corporate Debtor.
- c. The Applicants submit that prior to initiation of the present proceedings, disputes had arisen in respect of the ownership of the land upon which the project “Frontier Heights” is being developed, between Mr. C. Anand, Managing Director of the Corporate Debtor, and his family members. In this regard, proceedings in O.S. No.26300/2021 came to be instituted before the competent Civil Court concerning rights over the said property and sale proceeds arising from the project.
- d. The Applicants further submit that the learned Civil Court had initially granted injunction restraining alienation of the suit schedule properties and that subsequently, the Hon’ble High Court of Karnataka vide order dated 11.08.2023 modified the said order and restrained sale of 54 flats in the project till disposal of the suit.
- e. The Applicants contend that as per disclosures available on the website of the Real Estate Regulatory Authority (RERA) and documents submitted by the Promoter Group before RERA, the name of the Respondent does not appear in the list of allottees/ homebuyers of the project. According to the Applicants, there are no material documents evidencing the Respondent as a genuine allottee/ homebuyer and his alleged allotment arises out of an external arrangement.
- f. The Applicants further allege that different factual stands are being projected before different fora by the Respondent in collusion with the Corporate Debtor with the intention of bypassing the subsisting orders passed by the Hon’ble High Court and leaving the Corporate Debtor without assets.

- g. It is therefore contended that admission of the present Company Petition without impleading the Applicants would seriously prejudice the interests of the bona fide homebuyers, particularly in view of the pending civil litigation concerning the project land and the subsisting interim orders passed by the Hon'ble High Court of Karnataka.
- h. In the above circumstances, the Applicants seek impleadment in the present Company Petition in order to protect the interests of the bona fide homebuyers of the Corporate Debtor and to assist this Tribunal in adjudication of the present petition.
4. There were no Statement of Objections filed by the respondent herein.
 5. Heard Ld. Counsels for parties and perused the material on record.
 6. The present Interlocutory Application has been filed seeking permission to intervene in the said Company Petition which is presently pending consideration at the stage of admission under Section 7 of the Insolvency and Bankruptcy Code, 2016.
 7. It is a settled position of law that no person, other than the Financial Creditor and the Corporate Debtor, has a vested right to be heard at the pre-admission stage of a petition under Section 7 of the Code. ***In Deb Kumar Majumdar v. State Bank of India (Company Appeal (AT) (Insolvency) No. 44 of 2019)***, the Hon'ble NCLAT categorically held that:

“We agree with the observations made by the Adjudicating Authority at the stage of application filed under Section 7 that no person has right to claim for hearing except the ‘Corporate Debtor’. No other ‘Financial Creditor’ or ‘Operational Creditor’ or any other creditor is required to be heard except the ‘Financial Creditor’ who has filed an application under Section 9 of the I&B Code. The Adjudicating Authority is required to notice whether there is a ‘debt’ and ‘default’ committed by the ‘corporate debtor’ if the application under Section 7 is filed.”
 8. The scope of consideration at the pre-admission stage of a petition under Section 7 of the Code is extremely narrow and is limited only to the existence of a financial debt and the occurrence of default by the Corporate Debtor. At this stage, the Adjudicating Authority is not required to adjudicate inter se disputes between the different groups of Homebuyers, allegations of inducement, misrepresentation, breach of assurances, or disputed questions of

fact regarding the status of completion of the real-estate project. In so far as the present Application is concerned, the Applicant has failed to demonstrate how he is either a necessary or a proper party to the adjudication of the Section 7 petition as relying only on the fact that if the CIRP is admitted, moratorium would come into force is not sufficient ground to implead in the present Petition.

9. Moreover, in the instant case, the Applicants and the Respondent both claim to be homebuyers/allottees of the very same Corporate Debtor. The principal grievance of the Applicants is that the Respondent does not qualify as a genuine allottee/homebuyer of the project and that his alleged allotment arises out of an external arrangement. The Applicants have further relied upon the disclosures available before RERA and the pending civil disputes concerning the project land to contend that admission of the Section 7 petition would prejudice the interests of bona fide homebuyers. However, these issues essentially involve disputed questions of fact inter se between rival claimants and relate to the status of the Respondent as an allottee, the effect of pending civil proceedings, and alleged collusion with the Corporate Debtor. Such disputed factual aspects fall outside the limited scope of inquiry required to be undertaken by this Tribunal at the pre-admission stage of a petition under Section 7 of the Code, where the Adjudicating Authority is only required to ascertain the existence of financial debt and default. This Tribunal, at this stage, is neither required nor empowered to adjudicate upon disputed questions relating to title, allotment status, or the effect of pending civil litigation concerning the project property.
10. Even assuming that the Applicants have any legitimate grievances or claims against the Corporate Debtor, the IBC framework itself provides adequate protection: once the petition is admitted all financial creditors, including the Applicants, are entitled to submit their claims before the Resolution Professional for verification and inclusion in the Committee of Creditors. Any allegation that the proceedings have been initiated fraudulently or with malicious intent can always be examined in a separate application under Section 65 of the IBC, which is not the subject matter of the present IA.

Further the Hon'ble NCLAT in the case of ***Surinder Pal Singh & Ors. Vs. Spaze Towers Pvt. Ltd. in Company Appeal (AT) (Ins) No. 354 of 2023*** decided on 27.03.2023 has held that

This is an appeal against an order dated 26.08.2022 passed by the Adjudicating Authority (NCLT, Court –IV, New Delhi) by which I.A. Nos. 3795/ND/2022 and 3796/ND/2022 have been rejected. The Appellant claimed to be home buyers, who had filed an Application for intervention in a proceeding under Section 7 IBC, which was initiated by another home buyer. It is submitted that the Application is still pending for consideration and has not yet been admitted. Adjudicating Authority, by Impugned Order has rejected the Application on the ground that at the pre-admission stage there is no occasion to permit the Applicant to intervene in the matter. Learned Counsel for the Appellant submits that on an earlier occasion the Corporate Debtor has settled with home buyers, who filed application to initiate proceeding

In the present case the Application under Section 7 has not yet been admitted. Adjudicating Authority did not commit any error in rejecting the Intervention Application at pre-admission stage, filed by the Appellant. We do not find any error in the Impugned Order rejecting the application for intervention. However, it shall be open to the Appellant to file appropriate fresh application in the event application is admitted under Section 7 IBC.

11. In view of the abovementioned judgement of the Hon'ble NCLAT, Applicants have failed to demonstrate that they are either a necessary or a proper party to the adjudication of the Section 7 petition at the pre-admission stage. Allowing intervention at this stage would amount to opening the floodgates for every homebuyer to oppose or support the petition on extraneous considerations, which is wholly impermissible under the scheme of the IBC.
12. It is also pertinent to note that the Applicants themselves have already initiated independent insolvency proceedings against the very same Corporate Debtor by filing CP (IB) No. 81/2026. In such circumstances, this Tribunal is of the considered view that rejection of the present impleadment application does not place the Applicants at any disadvantage, nor does it deprive them of any substantive right available under the Code. The Applicants are at liberty to pursue their remedies in accordance with law in the proceedings already initiated by them.
13. In the light of aforementioned facts and the settled legal position, **IA No. 159 of 2026 in CP (IB) No. 170/BB/2025 is hereby dismissed.** However, it is

made amply clear that this Order will not come in the way of any other legal remedies available to the Applicant.

-Sd-

**RADHAKRISHNA SREEPADA
MEMBER (TECHNICAL)**

-Sd-

**SUNIL KUMAR AGGARWAL
MEMBER (JUDICIAL)**