

**THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH-I**

IA 1626 of 2023

Under Section 60(5) Insolvency and Bankruptcy
Code, 2016

Ms. Vaishali Patrikar,
Resolution Professional

...Applicant

V/s

**M/s Dev Land and Housing Private Limited and
Others**

...Respondent

In the matter of

COMPANY PETITION NO. (IB)/1632/MB/2019

VISTRA ITCL (INDIA) LIMITED

...Petitioner

V/s

M/S SATRA PROPERTIES INDIA LIMITED

...Respondent

Order delivered on: 30.06.2026

Coram:

Shri Prabhat Kumar
Hon'ble Member (Technical)

Shri Sushil Mahadeorao Kochey
Hon'ble Member (Judicial)

Appearances:

For the Applicant : Adv. Ashwini Chindarkar, Mr. Pulkit Sharma

For Respondent No.1 : Adv. Nishant Chothani a/w Adv. Yash Chheda

For Respondent No.5 to 9 : Adv. Tanishka Desai
Adv. Krishnan Iyer for Gajendra Investment Ltd., Pratiti Trading Pvt Ltd and Vistra ITCL (India) Ltd.
Mr. Ishant Duggal for CFM Asset Reconstruction Pvt. Ltd. & Kamal Holdings Pvt. Ltd.
Adv. Jasleen Singh, for Vistra, Pratiti & Gajendra present
Ms. Vaishali Patrikar, erstwhile Resolution Professional/chairperson of IMC

ORDER

1. This Application IA 1626/2023 was filed by Vaishali Patrikar (“Applicant/RP”), the Resolution Professional of Satra Properties (India) Limited (“Corporate Debtor”), under the Provision of Section 66 of the Insolvency and Bankruptcy Code, 2016 (“Code”), seeking following reliefs:-

- a) *Be pleased to allow the present Application;*
- b) *Be pleased to pass an order u/s. 66 of the Code directing the Respondent Nos. 1, 5 to 9 to remit/refund the amount of INR 29.35 Crore along with interest @ 18% p.a. in the bank account of the Corporate Debtor to compensate the loss suffered by the Creditors of the Corporate Debtor with respect to Transaction No. 1;*
- c) *Be pleased to pass an order u/s. 66 of the Code directing the Respondent Nos. 2, 5 to 9 to remit/refund the amount of INR 2.65 Crore along with interest @ 18% p.a. in the bank account*

of the Corporate Debtor to compensate the loss suffered by the Creditors of the Corporate Debtor with respect to Transaction No. 2;

- d) Be pleased to pass an order u/s. 66 of the Code directing the Respondent Nos. 3, 5 to 9 to remit/refund the amount of INR 3.24 Crore along with interest @ 18% p.a. in the bank account of the Corporate Debtor to compensate the loss suffered by the Creditors of the Corporate Debtor with respect to Transaction No. 3;*
- e) Be pleased to pass an order u/s. 66 of the Code directing the Respondent Nos. 4, 5 to 9 to remit/refund the amount of INR 1.22 Crore along with interest @ 18% p.a. in the bank account of the Corporate Debtor to compensate the loss suffered by the Creditors of the Corporate Debtor with respect to Transaction No. 4.*
- f) Be pleased to pass an order to take necessary action against the Respondents under Section 66 of the Code;*
- g) Be pleased to grant any other relief this Hon'ble Tribunal may deem fit to pass.*
- h) Pass such other and further orders as this Hon'ble Authority may deem fit and proper in the facts and circumstances of the case.*

2. This Tribunal, vide an order dated 02.04.2024 disposed of the said Application allowing the relief in terms of prayer (c) and (e) and rejecting the relief in terms of prayer (b) in relation to the transaction with M/s Dev Land & Housing Private Limited

(Respondent No.1) and prayer (d) in relation to the transaction with M/s C. Bhansali Developers Private Limited (Respondent No.3). The Financial Creditors namely Vistra ITCL (India) Limited, Pratiti Trading Private Limited and Gajendra Investment Limited filed an Company Appeal (AT) (Ins) No. 1043 of 2024 before the Hon'ble NCLAT challenging the rejection of relief in terms of prayer (b) and (d) in relation to the transaction with M/a Dev Land & Housing Private Limited (impleaded as Respondent No.7 in the Appeal) and M/s C. Bhansali Developers Private Limited (impleaded as Respondent No.8 in the Appeal). The Suspended Board members of the Corporate Debtor impleaded as Respondent No.2 to 5 in the Application were impleaded as Respondent No.2 to 6 in the Appeal.

3. Hon'ble NCLAT vide order dated 03.07.2025 allowed the Appeal setting aside the order dated 02.04.2024 to the extent of disallowing the transactions nos.1 & 3 w.r.t. the Respondent No.7 and 8 (in the appellate proceedings) respectively and directed the parties to appear before this Tribunal for further action in accordance with the law. The Hon'ble NCLAT, in relation to transaction with M/s Dev Land & Housing Private Limited, held at para 50(xix) that "*Thus, on overall basis, we hold the transaction No.1 falls squarely under Section 66 of the Code and be treated as fraudulent*", and, in relation to transaction with M/s C. Bhansali Developers Private Limited held at para 51(v) that "*.....we note that no detailed logic of disallowing the request of the Resolution Professional in IA No. 1626 of 2023 has been recorded by the Adjudicating Authority as seen in Para 7.7 of the Impugned Order. Thus, we are not able to support the Impugned*

*Order on this account as far as transaction No.3 is concerned.”
Finally the Hon’ble NCLAT stated as follows :*

53. In fine, the appeal succeeds and the Impugned Order to the extent of disallowing Transaction Nos. 1 & 3 w.r.t. the Respondent Nos. 7 & 8 respectively is set aside. The original petition bearing in C.P. (I.B) No. 534/MB/2023 is restored back. Both the parties are directed to appear before the Adjudicating Authority on 16.07.2025, who shall take further action in accordance with law.

4. In view of the aforesaid order of Hon’ble NCLAT and after receipt thereof, this Application was listed on board on 11.09.2025 and the Respondent No.1, Respondent No.3 and Respondent No.5 to 9 were asked to file their submission, if any, and argue their case with respect to transaction no.1 and 3 impugned in the Application. The Respondent No.1, Respondent No.3 and Respondent No.5 appeared and made their submissions.
5. The learned Counsel for the Applicant submitted on 02.12.2025 that Respondent No.3 i.e. M/s C. Bhansali Developers Private Limited has been admitted into CIRP in the meanwhile and the Corporate Debtor’s claim, including the amount of interest written off and impugned in the present Application is fraudulent, has been admitted by the Resolution Professional therein in the CIRP of M/s C. Bhansali Developers Private Limited, hence, the Applicant does not wish to press the prayer (c) any further qua M/s C. Bhansali Developers Private Limited, however, they shall prosecute their case in relation to this transaction against the Corporate Debtor. However, the learned

Counsel for the Applicant also submitted, as recorded in order dated 02.02.2026, that “2. *Learned Counsel for the Applicant submits that nothing remains against Bhansali Developers as CD's claim for interest against them has been restored by Hon'ble NCLAT in appeal and CD's claim in CIRP of Bhansali Developers has been filed accordingly.*” Hence, the learned Counsel for Respondent No.5, one of the Suspended Board Members, vide additional written submission has objected to the written submissions filed by the Applicant in relation to transaction with M/s C. Bhansali Developers Private Limited whereby the Applicant has requested this Tribunal to *pass an order under Section 66 of the Code directing 11 Respondent No. 3, 5 to 9 to remit/refund the amount of Rs. 3.24 Crores along with interest @18% p.a. in the Bank account of the Corporate Debtor (Qua Transaction No. 3).*

6. Heard the Counsel and perused the material on record.
7. It was submitted by learned Counsel for the Respondent No.5 to 9 that, in view of statement of learned Counsel for the Applicant on 02.02.2026 that nothing remains against Bhansali Developers Private Limited, they are not making any submission in relation to that transaction. In view of these facts we are of considered view that the Applicant could not be allowed to prosecute the impugned transaction with Bhansali Developers Private Limited further in terms of the written submissions filed after conclusion of the arguments. It is noted that in that case the Hon'ble NCLAT had stated that “*we are of prima-facie opinion that the same is to fall in the ambit of Section 66 of the Code*”. Accordingly, in view of specific admission of the Applicant not to prosecute this

transaction further, which remained the stated position till the conclusion of the arguments, we of considered view that the further adjudication with Bhansali Developers Private Limited cannot be proceeded with because an Application under Section 66 of Code is based on the opinion of the Resolution Professional and if the Resolution Professional forms an opinion later on that “*nothing remains against Bhansali Developers as CD's claim for interest against them has been restored by Hon'ble NCLAT in appeal and CD's claim in CIRP of Bhansali Developers has been filed accordingly*”, the initial foundation of the opinion found by the Resolution Professional that the said transaction was fraudulent in nature does not survive. Hence, no further order is called for in relation to transaction with Bhansali Developers Private Limited.

8. The second transaction in this Application, remitted back by Hon'ble NCLAT to this Tribunal, relates to forfeiture of an advance towards purchase of rights in the property given by Corporate Debtor to M/s Dev Land & Housing Pvt. Ltd., the analysis and findings of Hon'ble NCLAT in relation to this transaction are reproduce as under (*emphasis is supplied by way of underline*):

50. Transaction No. I with M/s Dev Land & Housing Pvt. Ltd. (Respondent No. 7 herein)

- (i) *It is noted that Rs. 29.35 Crores was given by the Corporate Debtor to M/s Dev Land & Housing Pvt. Ltd./ Respondent No. 7 from 10.08.2015 to 31.03.2016 against the intended*

purpose of buying the property as mentioned in the MoU dated 18.08.2015.

(ii) We note that the entire amount was written off on 31.03.2020 in the books of the Corporate Debtor and no evidence of any property ever taken from Respondent No. 7 by the Corporate Debtor.

(iii) It has been brought to our notice that the transaction between the Corporate Debtor and Respondent No. 7 has been based on an alleged forged and unregistered MoU dated 18.08.2015, which was printed on a Rs.100/- stamp paper and was neither registered nor notarized, which intended to acquire immovable property valued at Rs. 75 Crores without any registration. It has also been pleaded before us that the said MoU lacks any payment schedule, and the signature of Mr. Praful Satra, the suspended Director of the Corporate Debtor, is conspicuously absent, thereby rendering the document suspicious from the very inception and further the said MoU only mentions that the entire payment should be paid in entirety on or before 31.08.2019, which is four years from the date of alleged execution of the MoU dated 18.08.2015, which is not normal in commercial sense as payment schedule in invariably stipulated as fulcrum of any MoU Agreement.

(iv) We observe that Clause 9 of the MoU seems to be one sided and entitles only the Respondent No. 7 to forfeit the entire amount paid by the Corporate Debtor without any possibility for dialogue or negotiation. Prima-facie, such clause defies any commercial logic as to why the Suspended Director should agree to such one -sided

arbitrary Clause without taking care of the interest of the Corporate Debtor.

(v) *We take into consideration that Rs. 29,35,00,000/- was paid by the Corporate Debtor to Respondent No. 7 as an advance between 10.08.2015 to 31.03.2016, however, there has been no follow up or communication from the Corporate Debtor seeking extension of time or renegotiation on payment arrangements, or reduction of the consideration by way of one-time settlement, in case Corporate Debtor was facing financial distress. This become more significant since almost 40% of the entire sale consideration has been paid as EMD, which also seems to be exorbitant and excessive, looking at the overall consideration value.*

(vi) *We further note that the Deed of Cancellation, dated 20.03.2020, was executed without any opposition by the suspended Director. We note that there was no Board Resolution either authorizing the transaction or ratifying its cancellation, which again raises doubt about genuineness of transaction and efforts of Corporate Debtor to protect its own interest. It has been alleged by the Appellant that the said Deed of Cancellation appears to be manufactured, fabricated and backdated document, having allegedly been executed during the peak of the COVID-19 pandemic. The Appellant also highlighted that the stamp paper on which the deed was signed was procured in 2019, whereas the document itself bears the date of 20.03.2020, and the deed remains unsigned by the Suspended Director, just like the MoU dated 18.08.2015 which suggests that both documents were created harmoniously devoid of*

authenticity. The logic of the Appellant finds merit in the given context, circumstances and final outcomes.

(vii) We observe that the Deed of Cancellation dated 20.03.2020 merely mentions “extraneous reasons” for non-payment of the full consideration by the Corporate Debtor but the said “extraneous reasons” have not been elaborated in the Deed of Cancellation nor has mentioned the same in any correspondence with Respondent No. 7 which gives credence that such documents have been doctored as an afterthought with intent to defraud creditors. We also note that Rs. 29.35 Crores were forfeited in its entirety in terms of a forfeiture clause (Clause 9 of the MoU dated 18.08.2015), but no attempt was made by the suspended directors to negotiate upon the same and later the said amount was completely written off on 30.03.2020. We need to appreciate that the Section 7 petition had already been filed on 11.05.2019 and after the same amount was forfeited as agreed between the Respondents, however, the impugned order erroneously records that no CIRP was impending.

(viii) We note that the parties are stated to be inter-se related by the common directorship of Mr. Vijay T. Thakkar in Dev Land Housing Pvt. Ltd. (the Respondent No. 7 herein) and Centrio Lifespaces Ltd. (formerly Satra Realty and Builders Ltd.), which should have alarmed the Adjudicating Authority before disallowing the request of the Resolution Professional on this account.

(ix) The said forfeiture of the money by the Respondent No. 7 was done taking shelter of Clause 9 “forfeiture clause as

contained in the MoU dated 18.08.2015. At this stage, we have also taken into consideration the entire MoU dated 18.08.2015 and its various clauses especially Clauses 4, 5 & 9. We have also seen and noted provision of Deed of Cancellation dated 20.03.2020.

(x) We note that the Adjudicating Authority has treated this transaction as commercial transaction treating the fact that the money was advance, given by the Corporate Debtor for purchase of land and property which the Corporate Debtor could not complete for want of non payment of balance Operational Creditor payment to the Respondent No. 7. The Adjudicating Authority has also taken into account the factor that the MoU dated 18.08.2015 and deed of cancellation dated 20.03.2020 were duly signed and therefore, the Adjudicating Authority concluded that the transaction could be held to be falling within the scope of Section 66 of the Code. However, the Adjudicating Authority found that from the date of cancellation, Rs. 4.90 Crores is stated to be have been refunded by Respondent no. 1 and was allowed to be set up against the earnest money of Rs. 29.35 Crores and therefore, the Adjudicating Authority has directed the Resolution Professional to find out whether the said sum of Rs. 4.94 Crores was received by the Corporate Debtor and if it was found to be received by the Corporate Debtor, then the Resolution Professional was directed to make recovery of said amount from the concerned Respondents.

(xi) Thus, we note that the crux of the matter lies in the structure of MoU dated 18.08.2015 and deed of cancellation

dated 20.03.2020, which have been fully examined. It has been brought out that the total consideration of the said property was Rs. 75 Crores against which the EMD of Rs. 29.35 Crores was paid by the Corporate Debtor which tantamount to almost 40% of the consideration value.

(xii) We take into consideration that the entire amount was requested to be paid by the Corporate Debtor on or before 31.08.2019 and thereafter, both the parties were required to execute the deed of conveyance in respect of 66.66% undivided share, rights, title and interest of the Respondent No. 7 in the said property in favour of the Corporate Debtor. We also do not appreciate as to why the Corporate Debtor agreed to take only 66.66% shares of undivided shares and not acquire the entire 100% even when remaining 33.34% may be with someone else as without 100% of the said shares, the said property could not have been put to use by the Appellant. This does not support the cause and pleadings of the concerned Respondents.

(xiii) It is important to note that the MoU also stipulates that in case, the Corporate Debtor is not able to make the payment within stipulated time period, then Clause 9 will be applicable. The Clause 9 reads as under:-

“Clause 9. Notwithstanding anything contained in this MOU, it is specifically agreed by and between the Parties hereto that if the Intending Purchaser fails to make payment of the entire Aggregate Consideration amount to the Intending Vendor on or before 31 51 August, 2019, then the Intending Vendor shall be solely entitled to terminate this MOU at its discretion; and

thereupon the Intending Vendor shall be entitled to forfeit all amounts till then paid by the Intending Purchaser to the Intending Vendor pursuant to this MOU and thereupon neither Party shall have any claim against the other. In such an event of termination, the Intending Purchaser shall not take any steps or initiate any proceedings against the Intending Vendor and the Intending Purchaser shall not claim any rights, title or interest in to or upon the said Property or otherwise against the Intending Vendor, either pursuant to this MOU or otherwise howsoever in relation to the transactions hereby contemplated.” (Emphasis Supplied)

(xiv) From above, it seems that the Clause 9 gives an absolute right to the Respondent No. 7, to terminate the MoU on its discretion and to forfeit the entire amount paid by the Corporate Debtor by then. The Corporate Debtor was also bound by MoU not to take any action for initiating any proceedings against the Respondent No. 7 and further the Corporate Debtor was also disentitled to file any claim for any right, title or interest in the said property. We find that the said Clause 9 to be rather unusual which gives unrestrictive and unfettered rights only in favour of the Respondent No. 7. It needs to be appreciated that normally, when commercial transactions takes place, the rights and obligations of both the parties are clearly stipulated and evenly balanced and not made in favour of any single party at the cost of other party.

(xv) We appreciate that it is commercial decision between the parties and rightfully, the said MoU may include the Clause regarding forfeiture, but normally such MoU also gives the right to the intending purchaser (as the Corporate Debtor in the present case) which give some leeway to the purchaser to negotiate. Such terms give some flexibility and this could have facilitated the Corporate Debtor to preserve its rights, even with higher interest rates or with pre-specified damages including liquidation charges. The termination of agreement and consequent forfeiture is the last resort. We do not find such commercial elements here taken by the Corporate Debtor rather find tame agreement in favour of the Respondent No. 7.

(xvi) In this present case, we find that no efforts were made for any negotiation, dialogue or any effort for rearranging the timelines or reducing the said forfeiture amount or taking efforts to take over the property by the Corporate Debtor. The reasons and circumstances of the said default on the part of the Corporate Debtor have also not been explained in details especially using terms “extraneous reasons”, which is not found to be convincing.

(xvii) This Appellate Tribunal is aware that every petition filed under section 7 of the Code and Section 9 or even under Section 94 and 95 and also under Section 66 are strongly contested on substantial as well as technical grounds. We observe that in contrast, the present case looks like cake walk or complete surrender or giving on platter the forfeiture of Rs. 29.35 Crores by the Appellants in favour of the Respondent No. 7, which raises doubts about intentions of

the concerned Respondents at the cost of the Corporate Debtor and its creditors, thus falling in scope of Section 66 of the Code.

(xviii) We also find that the deed of cancelation also do not gives any rights to the Corporate Debtor to protect itself by way of negotiation nor by way of any legal proceedings.

(xix) Thus, on overall basis, we hold the transaction No. 1 falls squarely under Section 66 of the Code and be treated as fraudulent.

(xx) We have also considered the contentions of the concerned Respondents that Appellants do not constitute 100% of CoC. We hold that this is not a requirement as stipulated in the Code or regulations, as such we reject the pleadings of the Respondent on this ground.

9. Since Hon'ble NCLAT had directed the parties to appear before us and we were required to take further action in accordance with the law, this Tribunal required the Respondents to file their additional say in the matter. Accordingly, these Respondents argued that this matter be reheard by this Tribunal in view of the order dated 02.04.2024 having been set aside in relation to the transaction with Dev Land & Housing Private Limited, however, the Applicant contended that the matter cannot be heard afresh by this Tribunal in relation to this transaction in view of final finding returned by Hon'ble NCLAT at para 50(xix) whereat it has said that "*Thus, on overall basis, we hold the transaction No. 1 falls squarely under Section 66 of the Code and be treated as fraudulent*".

10. In view of this, the parties were directed to advance their arguments and file their say. Respondent No.5 Mr. Praful Satra, Mr. Vijay Thakkar and Respondent No.1 Dev Land & Housing Private Limited filed their additional affidavit. The relevant extract of the Additional Affidavit on behalf of the Respondent No.5 i.e. Mr. Praful Satra is reproduced hereinbelow :

3. *At the outset it is pertinent to note that, in paragraph 50(viii) of the Order, the Hon'ble NCLAT, has observed that the parties had common directorship through one Mr. Vijay T. Thakkar. However, it is pertinent to note that Mr. Vijay T. Thakkar was a director of Centrio Lifespaces Ltd (earlier known as Satra Realty and Builders Ltd) **only w.e.f 16.04.2012 till 03.03.2014 i.e., way before execution and even the cancellation of the said MOU** (defined hereinbelow). Mr. Thakkar was in no manner concerned with the Corporate Debtor on the date of enforcement of the Insolvency and Bankruptcy Code, 2016 (hereinafter referred to as "IBC"), date of filing of the Petition under Section 7 of IBC against the corporate debtor or even on the date of the captioned Application being filed or written submission being filed or judgment being pronounced. A copy of Mr. Vijay Thakkar's master data is annexed hereto as Exhibit - "B".*

4. *At this stage it is also pertinent to note that even in the analysis undertaken by the erstwhile resolution professional in terms of Section 29(A) of IBC, it was clearly demonstrated that Respondent No.1 is in no manner a related party to the Corporate Debtor. A copy of the email dated 25th August*

2021 along with the analysis report is marked and annexed hereto as Exhibit "C". Further, this fact was neither recorded in the pleadings before this Hon'ble Tribunal nor the Hon'ble NCLAT nor was it argued, however conveniently reference in the revised written submission by the Applicant was made before the Hon'ble NCLAT. Thus, based on this incorrect fact, the observation by the Hon'ble NCLAT is completely erroneous.

5. *Rather it is also pertinent to note that Mr. Mayank Shah who is one of the promoter / director of the successful resolution applicant consortium, was a director of Centrio Lifespaces Ltd (earlier known as Satra Realty and Builders Ltd) w.e.f 20.09.2016 till 18.01.2018, which would infact make the said successful resolution applicant a related party and would disqualify him/ them from being the successful resolution applicant. A copy of Mr. Mayank Shah's master data is annexed hereto as Exhibit -"D".*
6. *Strictly without prejudice to the aforesaid, it is pertinent to note that the Order has failed to take into consideration several relevant facts which were part of the record. In paragraph 50 (ii) of the Order, the Hon'ble NCLAT has wrongly observed that "...the entire amount was written off on 31.03.2020 in the books of the Corporate Debtor and no evidence of any property ever taken from Respondent No. 7 by the Corporate Debtor...". It is pertinent to note that an amount of approximately Rs. 4.90 crores was refunded by the Respondent No.1 to the Corporate Debtor as a part of the*

expenses incurred by the Corporate Debtor/ full and final compensation and thus as wrongly observed in the Order the entire amount was not written off. The said fact is also recorded in the ledger maintained by the Corporate Debtor. Further, it be noted that no money was paid to Respondent No. 1 after 31.03.2016 and thus transaction could not be materialized then only, it is only that the cancellation of the Memorandum of Understanding dated 18.08.2015 (hereinafter referred to as "MOU") was signed on 31.03.02020. A copy whereof is marked and annexed as Exhibit "G" at Page 51 to the captioned Application. However the Hon'ble NCLAT has failed to take into consideration the aforesaid aspect.

7. *Additionally, it is pertinent to note that Clause 9 of the said MOU is a non obstante clause i.e. notwithstanding what is contained in the MOU, parties specifically agreed with regards to eventuality of failure of the Corporate Debtor to make payment of aggregate consideration of Rs.75 Crores by 31.08.2019. This provides entitlement of Respondent No.1 to terminate the MOU and thereupon provided the right of Respondent No.1 under law to forfeit the amount paid by the Corporate Debtor, till then. This eventuality pertains to breach of contract on the part of the Corporate Debtor and therefore it was agreed that the Corporate Debtor will not take any steps and shall not make any claim, save and except to an amount of Rs. 4.90 Crores which was refunded back by the Respondent No.1 to the Corporate Debtor. It is*

humbly stated that the aforesaid arrangement cannot be considered as fraudulent one.

8. *In paragraph 50(iii) of the Order, the Hon'ble NCLAT has wrong observed that "It has been brought to our notice that the transaction between the Corporate Debtor and Respondent No. 7 has been based on an alleged forged and unregistered MoU dated 18.08.2015, which was printed on a Rs.100/- stamp paper and was neither registered nor notarized, which intended to acquire immovable property valued at Rs.75 Crores without any registration", thereby referring the documents suspicious from the very inception. It is submitted that MOU was between the Intending Vendor and Intending Purchaser, wherein Clause 19 duly provides payment of stamp duty and registration on proposed Deed of Conveyance. Proposed Deed of Conveyance was defined in Clause 2 of the MOU. Thus, MOU was not mandatorily required to be registered at the time of execution of the said MOU. Additionally, without prejudice to the aforesaid, Section 49 of Registration Act, 1908 duly provides that an unregistered document can be taken into evidence of any collateral transaction which is not required to be effected by the said registered instrument. In the present case the MOU is not the main document through which the conveyance was being transferred. Further there is no law which provides that the MOU is mandatorily required to be notarized either under the Indian Contract Act, 1872 nor under the Notary Public Act, 1952, etc. Further, neither of the parties to the said MOU i.e., (Respondent No.1 or 5) have made any kind*

of allegations about signature on the MOU is/are forged and/or the contents thereof are false. It is pertinent to note that neither Respondent No.5 in his Affidavit has contended that the purported signature on the MOU is forged or the MOU itself is unsigned. Therefore, findings of the Hon'ble NCLAT are contrary to the document/MOU on record.

9. Further, In paragraph 50(iii) of the Order, the Hon'ble NCLAT has wrongly observed that "... It has also been pleaded before us that the said MoU lacks any payment schedule, and the signature of Mr. Praful Satra, the suspended Director of the Corporate Debtor, is conspicuously absent, ...". A bare perusal of the MOU brought on record by the Applicant itself in the captioned Application at Exhibit - F, will evince that **Mr. Praful Satra who is the suspended director of the Corporate Debtor has duly signed the MOU as well as affixed his initial signatures on every page of the MOU.** In addition to the aforesaid, the payment terms are clearly recorded in **Clause 2** of the said MOU "The entire aggregate consideration amount of Rs. 75,00,00,000/- (Rupees Seventy-Five Crores Only) shall be paid by the Intending Purchaser to the Intending Vendor **on or before 31st August, 2019, time for such payment being of the essence of this MOU.....**". In addition to the aforesaid, there was no pleading ever made by any party and neither even by the Resolution Professional with respect to the MOU being unsigned or inadequately signed, however the Hon'ble NCLAT inadvertently made the aforesaid observation. It is also pertinent to note that the existence of the MOU has been

duly admitted by both the parties to the MOU and not disputed. Further, without admitting, but for sake of submission, absence of payment terms, if any, does not make the MOU forged. Parties then had negotiated according to their commercial wisdom and have acted upon such commercial terms. In furtherance to the aforesaid it is pertinent to note that Clause 12 of the said MOU provides for the dispute mechanism, and the Applicant could have invoked Clause 12 of the said MOU and could have initiated steps for recovery in accordance with law by approaching the Competent Civil Court. Till date none of the clauses of the MOU have been declared as prohibited and/or invalid by any civil court. As regards the date of "2019" on stamp of Deed Of Cancellation dated 20.03.2020, the said date indicates that stamp paper was printed by the Government of Maharashtra in 2019, however it was issued to the concerned statutory dealer/distributor i.e. Sub-Treasurer Office., Vasai. on 27.01.2020 which date is also affixed on the said stamp paper. It is of utmost important to note that under the provisions of Maharashtra Stamp Act, 1958, any stamp paper can be used within a period of six months from the date of issuance of such stamp paper. Thus, the said allegations/ observations made by the Hon'ble NCLAT are without any substance.

10. *Additionally as stated hereinabove Clause 19 of the MOU, duly provides payment of stamp duty and registration on proposed Deed of Conveyance, which would have been entered into between the parties after the completion of*

payment as per the terms and conditions of the MOU. Thus, MOU was not mandatorily required to be registered.

11. *In paragraph 50(iv) and (v) of the Order, the Hon'ble NCLAT has proceeded to wrongly observe that Clause 9 of the MOU seemed to be one sided and it defies commercial logic. However, the Hon'ble NCLAT failed to consider that the MOU is in nature of a commercial contract and parties to a commercial contract of such a nature are bound by the terms of the said contract. They cannot be permitted to resile from their solemn obligations as agreed upon by them mutually in the MOU. Additionally, the Hon'ble NCLAT has wrongly proceeded to observe that there were no attempts of negotiation or no correspondence on part of the Corporate Debtor for the purposes of one time settlement or negotiations for change in payment terms. However, it is pertinent to note that it was because of the negotiations undertaken by the Suspended Director of the Corporate Debtor that the Deed of Cancellation dated 20th March 2020 ("Deed of Cancellation") was entered into, wherein it was provided that an amount of Rs. 4,90,00,000/- (Rupees deducted from the amount being forfeited. However, these points were inadvertently not considered by the Hon'ble NCLAT, Delhi.*

12. *In paragraph 50(vi) and 50(vii) of the Order, the Hon'ble NCLAT has proceeded to observe that there were no "extraneous reasons" mentioned in the Deed of Cancellation. However, a bare perusal of the Deed of Cancellation in*

recitals (d) & (g) duly recorded the subsequent conduct of the parties, additionally the observation of the National Company Law Tribunal Mumbai, of no impending CIRP was regarding the date of execution of the MOU and not the Deed of Cancellation.

13. *As regards the said MOU being arbitrary and one-sided, it is submitted that MOU records the rights and obligations which are clearly stipulated, whether the said rights and obligations are imbalanced, made in favour of a single party at the cost of the other party, are issues which are to be decided by a civil court of competent jurisdiction after appreciating the evidence which will be lead. However, the proceedings before this Hon'ble Tribunal are of summary nature and it is settled position of law that such issues cannot be decided by this Hon'ble Tribunal or by Hon'ble NCLAT. Further as regards interpretation of document/ deed entire document has to be read as a whole and not the particular clause in isolation.*

14. *Thus, it is humbly submitted that observation of the Hon'ble NCLAT are made in complete ignorance of the documents on record and therefore the Hon'ble NCLT needs to arrive at the conclusion independently basis the documents available on record. It is further submitted that validity of an act of forfeiting must be judged considering the circumstances that were prevailing on the date it was made and not based on supervening events.*

15. *In view of the aforesaid, it is submitted that the Hon'ble NCLAT has failed to consider several relevant facts and has proceeded to declare the present transaction as a fraudulent transaction, which is incorrect in law and thus separate and independent assessment needs to be made by this Hon'ble Tribunal or the civil court of competent authority wherein evidence can be lead and then conclusion, if any can be arrived at, since allegation of "fraud" has a severe impact on the parties.*
11. Further, Mr. Vijay Thakkar vide additional affidavit dated 25.08.2025 submitted that the deponent was Additional Director of Satra Realty and Builders Limited (now known as Centrio Lifespaces Limited) from 16.04.2012 till 20.09.2012. I further state that the deponent was a director of Satra Realty and Builders Limited (now known as Centrio Lifespaces Limited) from 20.09.2012 till 03.03.2014.
12. Further, the Respondent No.1 Dev Land & Housing Private Limited submitted that *It is not the Applicant's pleaded case that Mr. Vijay Thakkar or Dev Land are 'related parties' of the Corporate Debtor as defined under IBC. It is not the Applicant's pleaded case either that Mr. Vijay Thakkar or Dev Land are parties to carrying on the business of the Corporate Debtor. The aforesaid demonstrates that the findings of the NCLAT are only prima facie. It is further submitted that "this Hon'ble Tribunal has no jurisdiction to pass any Orders against third parties like Dev Land i.e., Respondent No. 1."*

-
13. Having heard the parties and perusal of the order dated 03.07.2025 passed by the Hon'ble NCLAT it is noted that the Hon'ble NCLAT has returned categorical finding that Respondent No.1 Dev Land & Housing Pvt Ltd. is inter-se related by the common directorship of Mr. Vijay T. Thakkar and the transaction No. 1 falls squarely under Section 66 of the Code and be treated as fraudulent, nothing remains at our end for further adjudication in relation to this transaction as we are bound to follow the findings returned by Hon'ble NCLAT and its decision based on those findings. Further, the judicial discipline requires us not to get into examination of the evidences as well as additional submissions in relation to findings of Hon'ble NCLAT, accordingly, we refrain from examination of the additional submission and the evidences placed before us in relation to this transaction. Respectfully following the finding of Hon'ble NCLAT in relation to this transaction at para 50 of the order dated 03.07.2025, we hold the transaction with M/s Dev Land & Housing Pvt Ltd. as fraudulent falling within the ambit of Section 66 of the Code IBC. Further, since Hon'ble NCLAT has also found that M/s Dev Land & Housing Pvt Ltd. is inter-se related with the Corporate Debtor through Mr. Vijay T. Thakkar, Respondent No.1 M/s Dev Land & Housing Pvt Ltd. is also liable in terms of Section 66 of IBC in view of decision in the case of ***Royal India Corporation v. Mr. Nandkishor Vishnupant Deshpande and others (2024) ibclaw.in 304 NCLAT.***
14. Respondent No. 5 is stated to be managing director of the corporate debtor and was signatory to both the agreements and in charge of affairs of corporate debtor during relevant time. It is

noted that both the Agreements were signed by Respondent No. 5 only. Further, Respondent No. 5 has admitted that no other director, namely Respondent No. 6 to 9, were involved in this transaction in any manner.

15. During the course of arguments the Respondent No.5 submitted that they have proposed a settlement to the Financial Creditors, the beneficiary of proceeds of this transaction and the majority of the Committee of Creditors ("COC") constituting more than 67.34% voting share has commercially approved and consented to the settlement and withdrawal of the captioned proceedings. It was contended that the settlement proposal has been made with bona fide intent with the objective of bringing quietus and avoiding prolonged and unnecessary litigation, thereby bringing finality with immediate recovery and peace of mind to all stakeholders. Learned Counsel appearing for the Financial Creditor dissenting to this settlement proposal submitted that the principal of majority rule is applicable to the decisions by the CoC under IBC cannot be applied to the settlement in relation to the proceeds recoverable under the present Application. Accordingly, he submitted that this Tribunal should refrain from binding the dissenting Creditors from agreeing to such settlement. Though we do not find any substance in the contention of learned Counsel appearing for dissenting Financial Creditor as the scheme of IBC contemplates decision making by a majority, be it simple or special, and if particular decision musters requisite majority all other parties are bound to follow the same. However, this Tribunal has found Respondent No. 1 as well for contribution to the assets of the Corporate Debtor

jointly and severally in view of Hon'ble NCLAT's finding that Respondent No. 1 and the Corporate Debtor are related through Mr. Vijay Thakkar, we are of considered view that the present settlement qua Respondent No. 5 may not be fastened by this Tribunal upon the parties even in view of majority rule applicable to the CoC decisions.

16. In view of the foregoing discussion, we direct the Respondent No.1 M/s Dev Land & Housing Pvt Ltd. as well as Respondent No.5 to contribute a sum of Rs. 24.45 crores (Rs. 29.35 crores minus Rs. 4.90 crores), jointly or severally, to the Corporate Debtor within 30 days from the date of this order failing which the amount shall a recoverable along with the interest at the rate of 12% per annum chargeable on the principal outstanding.
17. In terms of the above, IA 1626 of 2023 is disposed of in the light of directions issued by Hon'ble NCLAT vide order dated 03.07.2025.

-Sd/-
Prabhat Kumar
Member (Technical)

-Sd/-
Sushil Mahadeorao Kochey
Member (Judicial)