NATIONAL COMPANY LAW TRIBUNAL
CHANDIGARH BENCH (COURT-II), CHANDIGARH

IA(IBC)(Plan)/2(CH)2024
IN
CP(IB)No.167/Chd/Hry/2020
CP(IB)No.86/Chd/Hry/2022

IA(IBC)(Plan)/2(CH)2024

[Application under sub-section (6) of section 30, section 31, and sub-section (5) of section 60 of the Insolvency and Bankruptcy Code, 2016, read with sub-regulation (4) of Regulation 39 of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016]

Mr Shyam Arora
Resolution Professional
SRS Real Estate Ltd. & SRS Retreat Services Ltd.
(IBBI/IPA-002/IP-N00546/2017-2018/11703)

... RESOLUTION PROFESSIONAL

IN THE MAIN MATTER OF:
CP(IB) No.167/Chd/Hry/2020

(Application under section 7 of the Insolvency and Bankruptcy Code, 2016)

LIC Housing Finance Ltd.
Jeevan Deep Building
10, Sansad Marg, New Delhi-110001
Email: lichousing@lichousing.com

... Financial Creditor

Versus

SRS Real Estate Ltd.
2nd Floor, City Centre, SRS Multiplex,
Sector-12, Faridabad, Haryana - 121001
Email: srsrealestate@srsparivar.com

...Corporate Debtor No. 1

AND IN THE MAIN MATTER OF:

CP(IB)No.86/Chd/Hry/2022

(Application under Section 7 of the Insolvency & Bankruptcy Code, 2016)

LIC Housing Finance Ltd.
Jeevan Deep Building
10, Sansad Marg, New Delhi-110001
Email: lichousing@lichousing.com

... Financial Creditor

Versus

SRS Retreat Services Ltd.
2nd Floor, City Centre,
SRS Multiplex, Sector-12, Faridabad, Haryana - 121001
Email: srsretreeat@srsparivar.com

...Corporate Debtor No. 2

Order delivered on: 09.09.2026

Coram: Hon'ble Mr Kaushalendra Kumar Singh, Member (Technical)
Hon'ble Mr Khetrabasi Biswal, Member (Judicial)

Present

For the RP	**:**	Adv Sumant Batra, Adv Sarthak Bhandari, Adv Riya Kaur Arora
For LIC Housing Finance Limited	**:**	Adv. Sharad Tyagi, Adv. Archana Tyagi, Adv. K. Gayatri and Adv. Samarth Gogia
For the SRA	**:**	Mr. Anand Chhibber, Sr. Adv., along with Adv. Mr. Karanveer Jindal

ORDER

IA(IBC)(Plan)/2(CH)2024

The Application bearing IA(IBC)(Plan)/2(CH)2024 has been filed on 27.01.2024 by Mr Shyam Arora, Resolution Professional (hereinafter referred to as the **"RP"**), under sub-section (6) of section 30 and section 31 read with sub-section (5) of section 60 of the Insolvency and Bankruptcy Code, 2016 (hereinafter referred to as the **"Code"** or **"IBC"**), read with sub-regulation (4) of Regulation 39 of the Insolvency and Bankruptcy Board

of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016, for, inter alia, seeking approval of the Resolution Plan of Resolution Applicant **Orange Castle Private Limited** (hereinafter referred to as the **"Successful Resolution Applicant"** or **"SRA"**) in respect of real estate project **"SRS Royal Hills Phase-2"** as approved by the Committee of Creditors (hereinafter referred to as the **"CoC"**) in its 11th Meeting of the CoC by a voting share of 97.22 % votes, in respect of developer **SRS Real Estate Ltd** (hereinafter referred to as "Corporate Debtor No. 1") and by a voting share of 100% votes by the CoC in respect of the landowner **SRS Retreat Services Ltd** (hereinafter referred to as "Corporate Debtor No. 2") (collectively referred to as the **"Corporate Debtor"**), respectively, held on 12.01.2024.

2. The averments made by the RP in the present Application and as presented by the Ld. Counsel for the RP are summarised as follows:

(i) Corporate Debtor No. 1, namely SRS Real Estate Ltd., is a public limited company incorporated under the erstwhile Companies Act, 1956, having its CIN as U45201HR2005PLC041051, and its registered office is situated at SRS Multiplex, Mezannine Floor, City Centre, Sector-12, Faridabad, Haryana, India - 121007. The Corporate Debtor No. 1 is the developer of the Project "SRS Royal Hills Phase-2" and is, inter alia, involved in the business of purchase, acquisition, or lease (or in any other such lawful manner) of any land, building, and structures thereupon and develops and builds the same into townships, markets, and commercial complexes with all related conveniences such as

drainage and disposal or maintenance of the same and acts as commission agents and dealers in farmland buildings, whether for commercial or residential purposes or whether meant for purchase, sale, resale, or letting out.

(ii) Corporate Debtor No. 2, namely SRS Retreat Services Ltd., is a public limited company incorporated under the erstwhile Companies Act, 1956, having its CIN U55101HR2005PLC042465, and its registered office is situated at SRS Multiplex, Mezannine Floor City Centre, Sector-12, Faridabad, Haryana, India, 121007. The Corporate Debtor No. 2 is the landowner of the Project and is, inter alia, engaged in the business of construction and development of the real estate projects.

(iii) The Corporate Debtors have common directors, namely, Mr Vined Jindal (Director, having DIN - 00005563) and Mr Bishan Bansal (Director, having DIN - 00013705).

(iv) Two separate Applications bearing CP(IB)No.167/Chd/Hry/2020 and CP(IB)No.86/Chd/Hry/2022, under Section 7 of the Code, were filed by the Financial Creditor **LIC Housing Finance Limited** (in short, LICHFL) for the initiation of the Corporate Insolvency Resolution Process ("CIRP") of the Corporate Debtors, i.e., SRS Real Estate Limited (Corporate Debtor No. 1) and SRS Retreat Services Limited (Corporate Debtor No. 2), respectively, and the same were admitted *vide* common Order dated 22.12.2022 for CIRP as regards the Real Estate Project, SRS Royal Phase-2 is located in Sector 87, Faridabad, (Haryana). *Vide*

the said Order dated 22.12.2022, Mr Shyam Arora was appointed as Interim Resolution Professional ("IRP"). Later, the respective CoCs confirmed his appointment as RP, and the same was approved by this Adjudicating Authority *vide* Order dated 17.05.2023.

(v) The list of Financial Creditors in CoC of SRS Real Estate Ltd (Corporate Debtor-1) and their voting shares are as follows:

Name of the Finance Creditor	**Amount claimed**	**Amount admitted**	**Percentage of voting share (%)**
LICHFL	275,89,11,868	248,06,70,400	61.33
Modtech	11,24,87,013	11,24,87,013	2.78
Financial Creditor in a class	146,39,73,741	145,14,04,183	35.89

The CoC of SRS Retreat Services Ltd (Corporate Debtor No. 2) consisted solely of LICHFL, as the Corporate Debtor No. 2 is the co-borrower of the loan availed by Corporate Debtor No.1.

The aforesaid three Financial Creditors of Corporate Debtor No.1 submitted their claims aggregating to ₹433,53,72,622 which were verified and admitted to the extent of ₹404,45,61,596 by the RP.

(vi) As against the total claim received at ₹491,19,75,921, the RP admitted the claim to the extent of ₹423,03,42,151.

(vii) Pursuant to the publication of Form G on 13.04.2023, inviting Expressions of Interest (EOIs), **RKG Fund, a scheme of RKG Trust; On City Infrastructure (P) Ltd; B.L. Goel & Company; and Orange Castle (P) Ltd.** had shown their interest. Out of these four Prospective Resolution Applicants, only one, namely Orange Castle (P) Ltd, had submitted its Resolution Plan till the date of submission of the

Resolution Plan, i.e., 05.09.2023. The Resolution Plan was thereafter examined and deliberated upon by the CoC in its 8th meeting. Subsequently, in the 11th meeting of the respective CoC held on 12.01.2024, the Resolution Plan was put to vote. The e-voting process concluded on 15.01.2024, and the results were declared on the same date, whereby the Resolution Plan was approved with voting shares of 97.22% and 100% by the respective CoC.

(viii) The RP filed the present Application on 27.01.2024 seeking approval of the Resolution Plan. The initial CIRP period of 180 days expired on 20.06.2023. *Vide* Orders dated 26.07.2023, 04.04.2024 & 12.09.2024, the CIRP period was further extended. The extended period ended on 01.03.2024.

(ix) On the basis of the Valuation Reports, the average fair value and average liquidation value of the Corporate Debtor have been arrived at Rs. 215,29,57,879 & Rs. 146,37,67,173, respectively.

(x) The Resolution Plan contemplates a total payout of Rs.126,29,82,675 to the stakeholders, which includes an amount of Rs.100,00,000 towards CIRP Costs. The Successful Resolution Applicant has proposed to make the aforesaid payments within 630 days from the date of approval of the Resolution Plan by this Adjudicating Authority. The distribution proposed under the Resolution Plan is set out in the table below:

Particulars	Amount Claimed (In Rs.)	Amount Admitted (In Rs.)	Realisable amount under the Plan (In Rs)	Amount realisable in the plan (to the admitted claim in (%)
(1) CIRP Cost	-	-	1,00,00,000	
Financial Creditors				
(2) Secured Financial Creditors (a) Assenting (LIC Housing Finance Ltd.)	275,89,11,868	248,06,70,400	125,00,00,000	50.38%
(b) Dissenting	-	-	-	-
(3) Unsecured Financial Creditors				
(a) Dissenting (Modtech Infraventors)	11,24,87,013	11,24,87,013	11,24,870	1%
(b) Assenting (financial creditors in a class)	146,39,73,741	145,14,04,183	Claims belong to home buyers	100% as Units will be constructed and delivered to home buyers.
Total (3) ((a)+ (b))	157,64,60,754	156,38,91,196	11,24,870 + (unit/flat to Financial Creditors in a class)	
Operational Creditors				
(4a) Related Party of Corporate Debtor	-	-	-	-
(4b) Other than (4a) above:				
(i) B.L.Goel	55,83,40,023	17,33,49,089	17,33,491	1%
(ii) SEBI	2,08,000	2,08,000	2,080	1%
(iii) Workmen & Employees	5,16,667	5,16,667	5,167	1%
(iv) DTCP	1,67,87,609	1,09,55,799	1,09,558	1%
Total (4) ((a) + (b))	57,58,52,299	18,50,29,555	18,50,295	

(5) Other Debts and Dues				
(i) Other Creditors	7,51,000	7,51,000	7,510	1%
(ii) Statutory Dues	-	-	-	-
Total	**491,19,75,921**	**423,03,42,151**	**26,29,82,676 + (unit/flat to financial creditors in a class)**	

(xi) The RP has examined the Resolution Plan and required compliances thereon. For ready reference, the compliance examined by the RP is reproduced in the Table below:

Section of the Code/Regulation No.	**Requirement with respect to the Resolution Plan**	**Compliance (Yes/No)**	**Relevant clause/Page No. of Resolution Plan**
Section 25(2)(h)	Whether the Resolution Applicant meets the criteria approved by the CoC having regard to the complexity and scale of operations of the business of the CD?	Yes	Para 1(4)
Section 29A	Whether the Resolution Applicant is eligible to submit a resolution plan as per the final list of the Resolution Professional or Order, if any, of the Adjudicating Authority?	Yes	Para 1(8)
Section 30(1)	Whether the Resolution Applicant has submitted an affidavit stating that it is eligible?	Yes	RA has submitted the affidavit along with the Resolution Plan
Section 30(2)	Whether the Resolution Plan—		
	(a) Provides for the payment of Insolvency Resolution Process Cost	Yes	Para XV read with Para XIX(1)
	(b) Provides for the payment to the operational creditors	Yes	Para XV read with Para XIX(2)
	(c) Provides for the payment to the Financial Creditors who did not vote in favour of the resolution plan	Yes	Para XVI (3)
	(d) Provides for the management of the affairs of the corporate debtor?	Yes	Para XXXVI
	(e) Provides for the implementation and supervision of the Resolution Plan	Yes	Para XXXVII
		Yes	Para (VI) I

	(f) Conforms to such other requirements as may be specified by the Board		
Section 30(4)	Whether the Resolution Plan (a) is feasible and viable, according to the CoC. (b) has been approved by the CoC with a 66% voting share	Yes Yes	The CoC, after discussion and deliberations in the CoC meeting, evaluated the resolution plan and decided to put the Resolution plan to a top vote. The Resolution Plan is approved by 97.22 % voting share.
Section 31(1)	Whether the Resolution Plan has provisions for its effective implementation plan, according to the CoC	Yes	Para XXXVII
Regulation 38(1)	Whether the amount due to the operational creditors under the resolution plan has been given priority in payment over financial creditors	Yes	Para XV read with Para XIX (2)
Regulation 38(1A)	Whether the Resolution Plan includes a statement as to how it has dealt with the interest of all stakeholders	Yes	Para XIX
Regulation 38(1B)	Whether the Resolution Applicant or any of its related parties has failed to implement or contributed to the failure of implementation of any resolution plan approved under the Code. If applicable, the Resolution Applicant has submitted a statement giving details of any such non-implementation.	No	Para(III(4))
Regulation 38(2)	The Resolution Plan provides: (a) the term of the plan and its implementation schedule (b) for the management and control of the business of the corporate debtor during its term (c) adequate means for supervising its implementation	 Yes Yes Yes	 Para XXXVI and XXXVII Para XXII
Regulation 38(3)	The Resolution Plan demonstrates that— (a) it addresses the cause of default. (b) it is feasible and viable (c) it has provisions for its effective implementation. (d) it has provisions for approvals required and the timeline of the same (e) the resolution applicant has the capability to implement the resolution plan	 Yes Yes Yes Yes Yes	 Para XVIII Para VI(I) and Para XVII Para XXXVII Para IX, Para XL, and Para XLI Para X(4)

Regulation 39(2)	Whether the RP has filed an application in respect of transactions observed, found, or determined by him?	Yes	RP is in the process of filing the application before NCLT.
Regulation 39(4)	Provide details of performance security received as referred to in sub-regulation (4A) of Regulation 36B.	Yes	The Resolution Applicant has submitted the performance Guarantee for an amount of Rs.2.54 Crore with the Resolution professional as per the terms of the RFRP.

3. During the course of the hearing dated 12.09.2024, this Adjudicating Authority directed the RP to place on record compliance with Regulation 6A of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016, and to file the Enforcement Directorate attachment Order. In compliance thereof, the RP filed an Affidavit *vide* Diary No. 00352/2, annexing the Enforcement Directorate attachment Order dated 31.08.2021. Further, *vide* Diary No. 00352/5, the RP placed on record a Public Notice issued in compliance with Regulation 6A of the CIRP Regulations, inviting creditors to submit their claims.

3.1 *Vide* Order dated 08.08.2025, this Adjudicating Authority directed the RP to file a compliance Affidavit clarifying the treatment accorded under the Resolution Plan to the claims of homebuyers who had filed their claims belatedly. In compliance therewith, the RP submitted that the Resolution Plan, formulated on the basis of the Information Memorandum, specifically deals with the treatment of homebuyers who had not filed their claims. Reference was made to Clause XIX(4)(c) at Page 89 of the Resolution Plan.

3.2 Furthermore, *vide* Order dated 26.09.2025, this Adjudicating Authority directed the RP to place on record the relevant details pertaining to the project, including the number of towers, the number of flats booked, the

number of unsold flats, and whether claims had been received from all homebuyers who had booked units in the project or whether there remained any homebuyers who had not lodged their claims. The RP was further directed to clarify the financial resources available with the Successful Resolution Applicant for completion of the project, particularly in the event of any delay in receipt of the balance installments from the homebuyers. In compliance thereof, the RP filed an Affidavit *vide* Diary No. 00352/8. It has been stated therein that the project comprises 7 towers, consisting of a total of 612 residential units/flats, out of which 196 flats have been booked, while 416 flats remain vacant. It is further stated that claims have been filed and admitted from 146 homebuyers, whereas seven additional homebuyers submitted their claims subsequently pursuant to condonation of delay granted by this Adjudicating Authority. With regard to homebuyers who have not lodged their claims, it has been submitted that the Resolution Plan specifically provides for the treatment of such stakeholders under Clause XIX (4) (c) thereof, wherein it is stated that neither the RP nor the SRA shall be bound to entertain or recognise the claims of those allottees/home buyers who had failed to submit their claims prior to the approval of the Resolution Plan by the CoC or whose claims had not been admitted by the RP before such approval. As regards the financial capability of the SRA to complete the project, particularly in the event of any delay in receipt of installments from homebuyers, it has been stated that the net worth of the SRA stood at ₹23,73,25,092 as of 31.03.2021, ₹23,83,52,566 as of 31.03.2022, and ₹22,40,61,341 as of 31.03.2023. It has further been submitted that the SRA

is ready and willing to infuse its own funds or arrange external financing to bridge any funding gap that may arise during implementation of the project. In support thereof, the SRA filed an Affidavit affirming its commitment to provide the requisite financial support and placed on record a Net Worth Certificate dated 31.03.2025 issued by Shyamlal Dadhichi & Associates, Chartered Accountants, certifying a net worth of ₹77.10 crore. The SRA has also placed on record a comfort letter dated 25.04.2025, issued by Stress Revival Fund I, expressing its intention to invest an amount of ₹20 crore towards execution and completion of the project, if required.

3.3 Furthermore, in compliance with the directions issued *vide* the Order dated 19.11.2025, the RP filed an Affidavit stating that the Directorate of Enforcement had provisionally attached certain assets of the SRS Group, including the assets of the present Corporate Debtors, *vide* Provisional Attachment Order No. 01/2020 dated 08.01.2020 issued under Section 5(1) of the Prevention of Money Laundering Act, 2002. The said attachment was subsequently confirmed by the Adjudicating Authority (PMLA) *vide* Order dated 31.08.2021 passed in Original Complaint No. 1259/2020. Pursuant to the IBBI guidelines, the RP prepared the requisite undertakings and filed an Application under Sections 8(7) and 8(8) of the PMLA before the Special Court (PMLA), Gurugram, on 03.12.2025, seeking release/restitution of the attached assets pertaining to SRS Royal Hills, Phase II, for implementation of the Resolution Plan. It is further noted that the RP filed an Affidavit placing on record the Order dated 04.06.2026 passed by the Learned Special Judge (PMLA)-cum-Sessions Judge, Gurugram, in CRM No. 906/2025 titled *M/s*

SRS Real Estate Limited through Resolution Professional (Shyam Arora) v. Directorate of Enforcement. Vide that Order dated 04.06.2026, the said Application was allowed, whereby the Learned Special Court directed the restoration of the identified properties/units of the project "SRS Royal Hills Phase II, Sector 87, Faridabad" in favour of the RP, subject to the terms and conditions stipulated therein.

3.4 It has further been stated that the Insolvency and Bankruptcy Board of India, *vide* Notification No. IBBI/2025-26/GN/REG124 dated 03.04.2025, notified the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) (Second Amendment) Regulations, 2025, whereby the format of Form H prescribed under the CIRP Regulations was revised with a view to improving reporting accuracy and administrative clarity. Pursuant thereto, the RP filed a revised Form H *vide* Diary No. 00352/10, stating that the same has been prepared in compliance with Regulation 39(4) of the CIRP Regulations and contains updated, corrected, and comprehensive disclosures in the revised format, without affecting the substance of the Resolution Plan or the approval, feasibility, and viability thereof as approved by the CoC.

3.5 During the course of hearings on 13.05.2026, the Learned counsel for the RP had also drawn our attention to the various details as have been given by the RP in Form H. The fair value and liquidation value are stated to be Rs 215.29 crores and Rs 146.37 crores, respectively. In the context, we had also referred to the valuation reports given by the two valuers, namely 'Crest Valuations Services Pvt Ltd' and 'GN Fair Valuation Private Ltd'. It was noted

that both the valuers had adopted the total number of flats at 612 and the saleable area of the project at 11,47,780 square ft; the Crest Valuations adopted the market (selling) rate of Rs 4300 per square ft whereas GN Fair Valuation applied a market rate of 3000 per square ft. For ready reference, the computations made by both these valuers are given hereunder:

Computation made by Crest Valuations:

S. No.	Particulars	Amount	Unit	Symbol
1.	Total saleable area of the project	11,40,780	Sq. ft.	A
2.	Total numbers of towers	7	Nos.	B
3.	Total numbers of flats	612	Nos.	C
4.	Composite rate (100% completed and ready to sale)	4300	Per Sq. ft.	D
5.	Total revenue generated from the project	490,53,54,000	INR	E=A*D
6.	Cost to completion (consider @ 70% completed)	71,86,91,400	INR	F=A*2100*30%
7.	Overhead cost (profit, interest, marketing cost and brokerage etc. @ 35% revenue generated of unsold inventory)	171,68,73,900	INR	G=E*35%
8.	Net value (realised after 1 year)	246,97,88,700	INR	H=E-(F+G)
9.	Fair value (net present value)	214,07,73,753	INR	I=H/(1+10%)
10.	Liquidation value (@ 70% of fair value)	149,85,41,627	INR	J=I*70%

Computation made by GN Fair Valuation Pvt Ltd:

S.No.	Particulars	Total number of flats	Total built-up area (sq.ft)	Fair Value in INR (@ 2100 per sq.ft)
1.	Tower No. D1	64	109760	23,04,96,000
2.	Tower No. D2	60	102900	21,60,90,000
3.	Tower No. E1	128	219520	46,09,92,000
4.	Tower No. E2	120	205800	43,21,80,000
5.	Tower No. E3	120	205800	43,21,80,000
6.	Tower No. F1	60	148500	31,18,50,000
7.	Tower No. F2	60	148500	31,18,50,000
	Total	**612**	**1140780**	**216,51,42,000**

3.5.1 It is to be noted that the valuer Crest Valuations has adopted a selling rate (on completion of the project) @ Rs 4300 per sq. ft. Out of the total sale consideration of Rs 490.53 crores, he has made deductions on account of the cost involved for completion of the project at Rs 71.86 crores (assuming 70% completion) and overhead cost (marketing and profit margin, etc. @ 35%) at Rs 171.68 crores. The net value (realised after 1 year) is Rs 246.97 crores. The fair market value is taken as a net present value on discounting of this figure of 246.97 crores @ 10% and is computed accordingly at Rs 214.07 crores *[the correct figure on discounting @ 10% actually would work out at Rs 224.52 crores rather than Rs 214.07 crores].* The other valuer, namely GN Fair Valuations, has adopted a different approach. He has considered the market value of the completed flat in the vicinity of the project, ranging between Rs 3000 per sq. ft to Rs 3500 per sq. ft, and had adopted a negotiated (marketed) rate at Rs 3000 per sq. ft of a completed flat. Further, considering the stage of 70% completion of the project, he has applied a rate of Rs 2100 per sq. ft (70% of 3000) to compute the fair value at Rs 216.51 crores. The superstructure, internal plaster, pipelines, electric conduits, external plaster, POP, railing works, etc. is reported to have been completed. There appears to be an error in totalising. It is interesting to note that even @ Rs 2100 per sq. ft., the total would work out to Rs 239,56,38,000 as against Rs 216,51,42,000.

3.5.2 We therefore needed the assistance of these two valuers in order to understand the methodology, the basis of the rate as adopted by them, etc. Accordingly, the RP was directed to ensure the appearance of both the

Registered Valuers through Video Conferencing to brief us about the approach adopted by them for the computation and also the basis of the selling rate was adopted by them. We have been conscious of not interfering with the valuation report, as it is the subject matter of an expert, but nevertheless, we did consider enquiring about the basis on which these valuers had adopted a rate of Rs 4300 per sq. ft and Rs 3000 per sq. ft and whether, while adopting these rates, the valuers had taken note of the circle rates as per the guidelines issued by the District Collector. In compliance with our directions, the two valuers appeared through VC during the course of the hearing on 03.06.2026. Mr. Deepak Bansal appeared for the Crest Valuations, and Mr. Babu Dan Singh Kanwar appeared for GN Fair Valuations. They were asked about the 'asking rate', as they had referred in their reports, which was ascertained and applied as the selling rate of the flats to work out the fair market value. Mr. Deepak Bansal stated that on inquiry from the property brokers (hardly two brokers), they had taken the market rate of the completed flat in the surroundings of the said project, ranging between Rs 4000 to Rs 5000 per sq. ft, and that based on that, they had adopted an average market (selling) rate of Rs 4300 per sq. ft to arrive at the fair value. Mr. Babu Dan Singh Kanwar stated that they had also made an inquiry through the property brokers in that area and ascertained the selling rate ranging from Rs 3000 to Rs 3500 per sq. ft (termed as 'asking rate') and accordingly had adopted @ Rs 3000 per sq. ft for a fully constructed flat. Both of them also stated that while ascertaining the market (selling) rate, they had not ascertained/inquired any guideline/circle rates for

the purpose of the registry on the sale of the flat in the surrounding area, as generally the circle rates are much lower (below 60%) compared to prevailing market rates. We accordingly directed them to provide the guideline/circle rates. We also directed the RP to ascertain independently the guideline/circle rates in the year 2022 and took place the relevant circular on records. In compliance thereof, the Crest Valuer filed an Affidavit explaining therewith the methodology adopted and stated that the notified circle rate applicable to the subject project for the relevant period (2022) is Rs 4000 per sq. ft, whereas they had adopted an average of Rs 4300 per sq. ft. The RP also stated that the applicable circle rate in the year 2022 was Rs 4000 per sq. ft only. If that be so, then also the market value of a completed flat would be much higher than the figure adopted by the said valuer. It is also noteworthy that the second valuer, namely GN Fairs Valuations, had adopted a rate of Rs 3000 per sq. ft. based on the inquiry, as they say, from the property brokers, whereby they were given to understand that the prevailing market rate was between Rs 3000 to 3500 per sq. ft., which is much less than the admitted circle rate at Rs 4000 per sq. ft. The *prima facie*, the basis at which they both adopted the market rate, is not at all backed by any documentary records. Both of them had stated that the market rate would be much higher than the circle rate; however, the rate that they took for computation is either approximately the reported circle rate or even less than that. We are of the considered view that the valuers have carried out the valuation by adopting arbitrary rates rather than the prevailing market rates.

3.5.3 We also note that Mr. Anil Jindal, the promoter of the Corporate Debtor, had filed IA(IBC) 2109 of 2024 & IA(IBC)/825 of 2026. Through IA(IBC) 2109/2024, the said promoter has also raised the issue of valuation. He also placed on record a circular on circle rate and submitted that the applicable circle rate to his project in the year 2022 was Rs 4900 per sq. ft. In another IA(IBC) 825/2026, the said promoter has also placed on record the certain instances of the booking of the flats at the rates between Rs 5000 to Rs 6000 per sq. ft to support his plea that market rates as in the year of 2022 were much higher. There are other issues & prayers in those two Applications. We have disposed of those Applications *vide* separate common Order by observing that the issue of valuation would even otherwise be looked into during the hearing of the matter for approval of the Plan. Nevertheless, the facts as placed through the aforesaid Applications as regards the applicable circle rate and the booking rates prior to the CIRP initiation date assume a due relevance and support our view that the rate as adopted by the valuers in arriving at the fair value is quite arbitrary and much below the prevailing market rates.

3.6 As placed on record on behalf of the RP, the project SRS Royal Hills Phase II has in all 7 towers. The total number of flats is 612, out of which 196 flats are said to be sold out. The unsold number of flats stands at 416. The total number of the Financial Creditors in a class, i.e., allottees/home buyers, whose claims have been admitted by the RP, is 146 in all. The Resolution Plan contains the list of all these claimants. They have participated in the voting of the Resolution Plan through Authorised

Representative (AR). Para XIX of the Resolution Plan deals with the treatment of various stakeholders. The sub-para (4) thereof deals with the treatment of a class of financial creditors (allottees). The relevant portion of Para XIX (4) has been reproduced below:

"***Para XIX of Resolution Plan***

(4) Class of financial creditors (allottees)

(a) *As per information memorandum and subsequent information shared by Resolution Professional, Resolution Professional has received and admitted following claims of Class of Financial Creditors i.e. allottees.*

Class of Financial Creditors (i.e. allottees)	***Claim received***		***Claims admitted***	
	No.	*Amount (Rs)*	*No.*	*Amount (Rs)*
Unrelated	*146*	*146,39,73,741*	*146*	*145,14,04,183*
Total	***146***	***146,39,73,741***	***146***	***145,14,04,183***

(b) Proposal

As per the available information, there are around 612 flats in the projects. Depending upon the status of the construction of the flat(s)/unit(s), the Resolution Applicant also proposed the following treatment to the Allottees/unitholders:

(i) Allottees who have paid 5% (Five Percent) or more of the total consideration to be paid by the respective allottees in accordance with their respective existing builder buyer agreements (BBAs) ('Class 1 allottees'), and

(ii) Allottees who have paid less than 5% (Five Percent) of the total consideration to be paid by the respective allottees in accordance with their respective existing BBAs ('Class 2 allottees')

In case of the aforesaid class 1 allottees and class 2 allottees, the following process would be adopted by the Resolution Applicant.

Within 30 (thirty) days from the NCLT approval date	*All the allottees shall submit/provide their BBAs along with other documents including payment receipt to the Resolution Applicant for checking and verification.*

Within 45 (Forty-Five) days from the NCLT approval date	*The Resolution Applicant shall check and verify the existing BBAs and other documents including the payment receipt submitted by such allottees.* *Upon such checking and verification, the Resolution Applicant shall determine the outstanding amount yet to be paid by the respective allottees on the basis of the following rates and shall intimate the same to them for payment in terms hereof:* *a. Class 1 Allottees: As per the rates specified under their respective BBAs; and* *b. Class 2 Allottees: As per the basic sale price (which would be the circle rate per sq. ft/per sq. mts. as prescribed by the concerned Government Authority as on NCLT Approval date), without prejudice to the rights of the Resolution Applicant to sell other unsold flats/units on higher rates to the prospective buyers.*
Within 90 (Ninety) days from the NCLT approval date	*All allottees shall pay the entire respective outstanding amount as communicated to them by the Resolution Applicant, failing which, interest @ 18% per annum shall be levied by the Resolution Applicant on the outstanding amount not paid by the respective Allottees.* *All allottees shall execute the fresh BBAs and other documents in the format as required by the Resolution Applicant in compliance with applicable laws, in which, the rate per sq. ft as applicable to the Class 1 Allottees & Class 2 Allottees as mentioned above shall be mentioned. In case of Class 1 Allottees, no additional cost would be levied by the Resolution Applicant.*

.

.

(c) Home Buyers who have not filed the Claims:

Allottees who have not filed their claims with the Resolution Professional or their Claims have been rejected, ***before the approval of this resolution plan by the CoC*** *and such allottees have approached the NCLT for consideration of their claim on or before the NCLT approval date, may be considered as per the directions of the NCLT.*

However, in no event, the Resolution Applicant would be burdened with such undecided and unexpected claim, which may impact the overall viability of the Project and its resolution notwithstanding anything to the contrary contained above."

3.6.1 We have carefully examined the terms of the proposed Resolution Plan as submitted by the Resolution Applicant and approved by the CoC, with specific reference to para XIX(4) as reproduced herein above, which deals with the treatment of home buyers/allottees belonging to the class of Financial Creditors under Section 5(8)(f) read with Section 21(6A)(b) of the Code. Under the impugned Resolution Plan, the Resolution Applicant has sought to bifurcate the single unified class of unit allottees into two artificial sub-categories based on an arbitrary payment threshold: Class 1 Allottees (those who have paid more than 5% of the total consideration under their Builder-Buyer Agreements) and Class 2 Allottees (those who have paid less than 5%). While Class 1 allottees are permitted to satisfy their balance payment obligations as per the rates stipulated in their original Builder-Buyer Agreements ('BBAs'), Class 2 allottees are burdened with paying the balance consideration at the current, significantly higher Circle Rate prevailing as of the date of approval of the Plan.

3.6.2 The primary issue that arises for our consideration is whether such intra-class discrimination and imposition of differential pricing parameters within the same class of Financial Creditors is permissible under the scheme of the Code and whether a Resolution Plan containing such a clause satisfies the mandatory requirements of Section 30(2) of the Code.

It is a settled proposition of insolvency jurisprudence that while the commercial wisdom of the CoC is supreme regarding commercial terms and

allocation among distinct classes of creditors, such commercial wisdom is not unfettered. It remains strictly circumscribed by the statutory parameters delineated under Section 30(2) of the Code. The statutory mandate under Section 30(2)(e) requires this Adjudicating Authority to independently satisfy itself that the Resolution Plan does not contravene any provision of law for the time being in force, including the fundamental principle of equal and non-discriminatory treatment among creditors belonging to the same class as per Article 14 of the Constitution.

3.6.3 The law does not permit the Resolution Applicant or the CoC to create sub-classes within a single homogenous class of creditors so as to accord preferential or discriminatory terms. All unit allottees holding valid allotments/BBAs constitute a single, indivisible class of Financial Creditors under Section 21(6A)(b) of the Code. Splitting this class based on a 5% historical payment threshold lacks any intelligible differentia or rational nexus to the statutory objectives of CIRP. Penalising Class 2 allottees by overriding contractual terms and imposing prevailing Circle Rates constitutes direct, unjustifiable intra-class discrimination.

In this regard, reliance is placed on the landmark decision of the Hon'ble Supreme Court in ***Committee of Creditors of Essar Steel India Limited v. Satish Kumar Gupta & Ors., (2020) 8 SCC 531***, wherein it was unequivocally laid down that while different classes of creditors can be treated differently based on their nature and underlying security, there cannot be any distinction or discrimination in payment or treatment among creditors belonging to the very same class.

Further, the Hon'ble NCLAT in ***Akashganga Processors Pvt. Ltd. v. Shri Ravindra Kumar Goyal, in Company Appeal (AT) No. 1148 of 2022*** (order dated 31.03.2023) and related jurisprudence concerning real estate insolvency, has held that a Resolution Plan that treats creditors within the same class differently fails the mandatory test under Sections 30(2)(e) and 30(2)(f) of the Code. We are of the considered view that Contractual rights under existing BBAs cannot be selectively extinguished or altered for a subsection of allottees in an arbitrary manner.

3.6.4 In view of the statutory mandate under Section 30(2) read with Section 31(1) of the Code, this Adjudicating Authority cannot grant approval to a Resolution Plan that embeds illegal intra-class discrimination. As such, Clause XIX(4) of the proposed Resolution Plan is held to be discriminatory, unfair, inequitable, and in direct violation of Section 30(2)(e) of the Code.

4. We also note that during the course of the hearings of the present Application seeking approval of the Resolution Plan, as many as 8 Applications were filed. These are IA(IBC) 820/2024, IA(IBC)1165/2024, IA(IBC)1169/2024, IA(IBC)1170/2024, IA(IBC)438/2025, IA(IBC)439/2025, IA(IBC)1981/2025 & IA(IBC)649/2026. As many as 19 allottees through these Applications had sought condonation of delay in filing their claims, as RP had rejected their claims on the ground of the delay. These Applicants had filed their claims before the RP after the Resolution Plan was approved by the CoC. They did not come to know of the initiation of the CIRP proceedings in respect of the project under consideration. This Adjudicating Authority, while condoning the delay in filing their claims, had disposed of all

these Applications *vide* various Orders with the direction to the RP to verify and consider the claims of these Applicants also.

4.1 We note that this is a case where RP did not have access/possession of the relevant books of account. He did not have the complete details of the allottees. In the circumstances, there has been no other way, except publication in the newspaper, to intimate the genuine allottees for filing their claims. It is brought to our notice that books of accounts and documents were already seized by the Enforcement Directorate. The main promoter of the group, namely Mr. Anil Jindal, and other connected persons, including the suspended directors, were placed in judicial custody. No representation was made from the side of the suspended management. Subsequently, Mr. Anil Jindal and the other connected persons were released from judicial custody. Mr. Anil Jindal has appeared during the later part of hearings and has also filed Applications IA(IBC)2109/2024 & IA(IBC)825/2026. These Applications were disposed of *vide* separate Orders. We, however, note that through IA(IBC)825/2026, the promoter has placed on record a list of 76 home buyers (annexure A-3 of the Application) giving details of the allottees who had not filed their claims so far. In the said list he has given the name of the customer, the total amount of consideration, the amount received, and the balance amount receivable, as well as their mobile number and addresses. In the context, the RP submitted that the claim of the 17 out of the said annexure A-3 has already been admitted after verification. Even then, we find that 59 home buyers as per the said lists are left over and also require to be considered. In this context, the stand of the SRA was sought

regarding consideration of such claims. Pursuant thereto, IA No. 1099/2026 was filed, wherein the SRA, by way of an Affidavit, expressed no objection to the consideration of the claims of the remaining 59 homebuyers, subject to payment of ₹50,000/- by each claimant towards delayed submission of claims, verification of the claims by the RP, and compliance with the terms of the Resolution Plan and any directions of this Adjudicating Authority. However, while the Affidavit stipulates that such homebuyers shall submit their claims within 30 days from the date of approval of the Resolution Plan by this Adjudicating Authority, it does not specify the manner in which the said homebuyers are to be informed of such a requirement, nor does it clarify whether the responsibility for such intimation would vest with the RP or the SRA.

5. In light of the discussion as made in para. 3.5 in respect of the valuation, we have already held that the valuers have carried out the valuation by adopting arbitrary rates rather than the prevailing market rates. We further note that in the absence of the books of accounts, which are seized by the ED, the RP could not have been able to ensure the inclusion of claims of all genuine home buyers in the Resolution Plan. We also note that during the course of the hearings, the RP has now sent an email dated 16.06.2026 [placed at annexure R-2 in his Reply Affidavit dated 09.07.2026 in IA(IBC)825/2026] to the ED calling for financial statements, books of accounts, tally data, all customer documents and master files relating to allotment of units to home buyers in the project, documents relating to RERA registration, a sanctioned plan approved by the competent authority, a

complete compliance/history of SRS Royal Hills-2 with DTCP, etc. These documents would definitely be required and helpful in the process of verification of leftover claims.

Further, in para 3.6, we have arrived at the conclusion that Clause XIX(4) of the proposed Resolution Plan is discriminatory, unfair, and inequitable and is in direct violation of Section 30(2)(e) of the Code. As such, the Resolution Plan is not in compliance with the provisions of Section 30(2) of the Code. Accordingly, we decline to approve such a Resolution Plan, and the same is therefore rejected. Since this is a matter of real estate involving a large number of home buyers awaiting completion of the project so that they get their possessions, therefore, instead of passing an Order for liquidation, we consider it appropriate to direct the RP for issuance of a fresh Form G and to make one more effort for getting a compliant Resolution Plan. The RP will have to also get the valuation of the CD afresh. A proper valuation of the CD's asset as of the CIRP initiation date (of the year 2022) is essential, as it provides the basis for the CoC for applying their commercial wisdom while making decisions for acceptance or rejection of a proposed Resolution Plan. Since almost 4 years have lapsed since the initiation of the CIRP, and the selling rate of the flats has gone up considerably, the RP will also have to get a current valuation of the unsold flats, as that would also be relevant for the CoC for applying their commercial wisdom. We *suo-motu* extend the CIRP period for 90 days from the date of uploading of this Order. The RP is directed to complete the process within the extended period.

6. **As a result, the Application bearing IA(IBC) (PLAN) 2/2024 stands rejected**. The RP is directed to proceed ahead as per the direction contained herein above and issue Form G once again and complete the process within a period of 90 days.

Sd/-
Khetrabasi Biswal
Member (Judicial)

Sd/-
Kaushalendra Kumar Singh
Member (Technical)

Gitesh