

**IN THE NATIONAL COMPANY LAW TRIBUNAL  
NEW DELHI, COURT - IV**

**CP No.: IB 62(ND)/2024**

*(Under Section 7 of the Insolvency and Bankruptcy Code, 2016 read with Rule 4 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016)*

**IN THE MATTER OF:**

**Mr. Shailendra Kumar Singh & Ors.**

...Financial Creditors / Applicants

VERSUS

**M/s Morpheus Prodevelopers Private Limited**

...Corporate Debtor / Respondent

**Pronounced on: 19.11.2024**

**CORAM:**

**SHRI MANNI SANKARIAH SHANMUGA SUNDARAM, HON'BLE  
MEMBER (JUDICIAL)**

**DR. SANJEEV RANJAN, HON'BLE MEMBER (TECHNICAL)**

**Present:**

For Applicant : Adv. Gautam Singhal, Adv. Amit Singh, Adv.  
Rajat Chaudhary, Adv. Kauika, Adv. Aartha  
Vishnoi.

For Respondent : -

**ORDER**

**PER: MANNI SANKARIAH SHANMUGA SUNDARAM, MEMBER (JUDICIAL)**

1. This Petition is filed under Section 7 of the Insolvency and Bankruptcy Code, 2016 by Mr. Shailendra Kumar Singh & 39 others (“**Petitioners**”) seeking to initiate Corporate Insolvency Resolution Process (“**CIRP**”) against M/s Morpheus Prodevelopers Private Limited [CIN: U70101DL2009PTC193186] (“**Corporate Debtor**”).
2. The Corporate Debtor was incorporated on 13.08.2009, under the Companies Act, 1956. Its registered office is at 1 Main Road Maujpur, Delhi, India, 110053. Therefore, this Bench has jurisdiction to deal with this petition.
3. The Corporate Debtor namely M/s. Morpheus Prodevelopers Private Limited is engaged in the real estate and construction business. In the year 2019, the Corporate Debtor introduced a residential project called Morpheus Bluebell comprising of 3 multistoried residential towers i.e. Towers 3, 4 and 5, located at Plot no. 2, GH-04, Sector 4, Greater Noida Industrial Development Authority, Uttar Pradesh. Further, Tower-3, Tower-4 and Tower-5 comprise a total of 356 flats out of which total sold units are 248 flats. Mr. Santraj Kasana (since 13.08.2012) and Bhavesh Kurnar Singh (09.11.2020) are presently serving directors of the Respondent-Corporate Debtor company and few of the directors have already resigned way back.
4. It is pertinent to note that the Respondent has, despite due notice, chosen not to appear before this Bench in the present proceedings. Consequently, in the absence of any appearance or representation on the part of the Respondent, and in view of their failure to comply with the directions of the this Adjudicating Authority, the Respondent has been set ex-parte by this Bench vide its order dated 01.04.2024.

5. Further the Ld. Counsel for the Petitioners submits that:

- 5.1 The Petitioners with a view to purchase their home shown interest in this scheme and reserved housing units by paying an initial amount i.e. 10% of the total cost of the Unit in project of the Respondent namely i.e. Morpheus Bluebell. While booking the flats, Petitioners/ Homebuyers were given assurance to provide the Builder Buyer Agreement (Hereinafter referred to as BBA) within a period of 45 days. However, immediately after the booking of the flats, a legal dispute over land acquisition culminated with the Authority, and the Respondent withheld the execution of the BBA for all the booked flats, until 2014.
- 5.2 In 2014, Corporate Debtor issued Allotment- Cum-Builder-Buyer Agreements, with detailed terms and conditions and the BBA were executed accordingly between the Petitioners and CD. BBA was issued, the amount advanced details were duly mentioned in clause 19, which stipulates for duration for handover the possession of flat.
- 5.3 As per agreement, the Corporate Debtor was under obligation to complete the construction in another 6 months grace period, and the promoter failed to handover the flats till 42 months from the execution of the Agreements of the homebuyers and another default was committed by the Respondent.
- 5.4 The first default on the part of the Respondent/ Corporate Debtor occurred on failure of promoter in handing over the Possession of flat till June 2017 (36 months from the date of execution of the BBA). Thereafter, Respondent also failed to complete the project and

handover the flats of the Petitioner-homebuyers by additional grace period of 6 months i.e. 42 months from the execution of the Agreement.

- 5.5 During this period, in the year 2016, the Real Estate (Regulation and Development) Act 2016 was enacted to regulate the Infrastructure sector, and accordingly, the registration of all ongoing projects was made mandatory with the RERA. Accordingly, the project of the Corporate Debtor was registered on 15.08.2017 under the name "Morpheus Bluebell" with UP RERA Authority at Project ID UPRERAPRJ11705. The Respondent had inappropriately extended the date as December 2020 for completion of the Project, while getting the registration of the Project done with RERA. Respondent also started convincing the homebuyers to handover the flats till December 2020.
- 5.6 However, after various follow-up and reminders by the Petitioners for knowing the status and date of completion of the project, the Respondent vide a letter MOM dated 24.09.2017 issued a new roadmap to complete the project assuring to handover the flats in 15 months.
- 5.7 In March 2020, due to outbreak of Covid-19 pandemic, the extension of another six months i.e. till June 2021 was given to the Corporate debtor on the request and the Corporate debtor kept assuring all the homebuyers to complete the project at the earliest after June 2021. Due to no visible construction and proper explanation and justification by the Respondent for delaying the project time and

again, the extension was not granted by RERA to the Respondent's project and therefore, the registration of RERA expired.

5.8 After expiration of the validity of the RERA registration, with a view to expedite the process of construction, various homebuyers also approached the RERA and other Forums. Few of the homebuyers through association also approached the RERA u/s 8 of The Real Estate (Regulation & Development) Act 2016 and few meetings were also held between the parties, but all remained futile as Promoter CD choose to delay and derail the process.

5.9 Even after receiving the payments against the sale consideration value of the flats from homebuyers, the promoter continuedly defaulted time to time (starting from June 2017 to July 2022 in the name of grace, and under the garb of section 8 proceedings) and ultimately failed to handover the flats till today. The Respondent also submitted a letter in April 2022 to Sh. D.K. Singh, Consultant, Project Management Division, UPRERA, highlighting key financial details of the Project, due debt and payments received by the homebuyers of the 'Morpheus Bluebell' which also includes the details of the Applicants and admission of the debt and default and receipt of payments from homebuyers.

5.10 However, there was no visible development of construction work at the project site until October 2023, even after several assurances and commitments. The Respondent CD has consistently defaulted and failed to hand over the flats to the homebuyers / Financial Creditors. The Petitioners / Homebuyers have been eagerly waiting for the

completion of the project and to take possession of the flats since June 2017.

5.11 Corporate Debtor also attempted to cheat few new homebuyers by selling the same unit to more than one homebuyers. With a view to take up the cause and issues of the Homebuyers, an Association namely "Morpheus Blue Bell Welfare Association" has been formed by the homebuyers and the Petitioner No.1 and 2 are the President and General Secretary of the said Association. The Petitioner No.1 and 2 have been authorised (through a consent letter) by more than 85 homebuyers to initiate any legal action required to safeguard the interest of the homebuyers.

5.12 However, even after various efforts, follow-ups, assurances by the Respondent during various meetings and otherwise, till date there is no indication or likelihood of completion of the project. The instant case is a case of continuous default starting from June-July 2017 to 2023 and till date. The assurances/ promises/ grace/ RERA completion date/ extension for completing the project and handover the flats of the respective homebuyers, be considered as admission on the part of the Promoter for the purposes of extension of the date of default. Therefore, being left with no option, the Petitioners homebuyers are invoking the jurisdiction of this Tribunal.

6. We have heard the learned counsels appearing the Petitioners at length and have carefully considered the submissions made on their behalf. We have also perused the documents and materials on record, including pleadings, affidavits, exhibits, and any other relevant documents filed in this matter.

6.1 The present Petition has been filed by 40 homebuyers, who are the allottees of residential dwelling units in Towers-3 and Tower-4 of the real estate project developed by the Corporate Debtor. These homebuyers collectively represent a total of 356 flats. In considering the maintainability of the Petition, it is necessary to refer to the threshold requirement applicable to financial creditors who are allottees under a real estate project, as stipulated in the second proviso to Section 7 of the Insolvency and Bankruptcy Code, 2016 (IBC), which reads as follows: *“Provided further that for financial creditors who are allottees under a real estate project, an application for initiating corporate insolvency resolution process against the corporate debtor shall be filed jointly by not less than one hundred of such allottees under the same real estate project or not less than ten per cent. of the total number of such allottees under the same real estate project, whichever is less”*.

This provision sets forth the minimum threshold for the filing of a Petition under Section 7 by the allottees of a real estate project, which must be adhered to in order to ensure that the application for initiating corporate insolvency resolution process (CIRP) is not filed frivolously.

6.2 In light of the above, this Bench, vide its order dated 20.09.2024, issued a clarification in the matter, which is extracted below for reference:

*“Upon reviewing the submissions and perusing the documents on record, it has come to the Court's attention that there exists an ambiguity regarding the total number of towers and the respective number of flats proposed for construction within the housing project*

*initiated by the Corporate Debtor. This information is crucial for determining the threshold as stipulated in Section 7 of the Insolvency and Bankruptcy Code, 2016.”*

To resolve the ambiguity and to ensure that the petitioners fulfill the requisite criteria for filing a Petition under Section 7, the Petitioners, in compliance with the Court's direction, filed an affidavit dated 28.09.2024, attaching the sanctioned building plans of the housing project, which comprises three towers, namely Tower-3, Tower-4, and Tower-5. These plans provided the requisite clarity regarding the total number of units proposed in the project, thereby aiding in determining whether the threshold requirement was satisfied.

6.3 Upon applying the statutory threshold set forth in Section 7 of the IBC to the present case, it is noted that there is some ambiguity regarding the exact number of units sold by the Corporate Debtor. However, taking a holistic approach and assuming, for the purpose of analysis, that all the units in the aforementioned towers have been sold, it can be deduced that the threshold, as laid down under Section 7, would require at least 36 homebuyers/allottees to file the Petition. The Petition in question is filed by 40 allottees, which exceeds the statutory minimum requirement. Therefore, it is clear that the Petition is maintainable, as the requisite threshold for initiating the insolvency proceedings under Section 7 of the IBC is satisfied.

6.4 Upon perusal of the Builder Buyer Agreements (BBAs) executed between the Developer and the Financial Creditors, it is observed that the Developer had committed to deliver possession of the allotted



units to the Financial Creditors around November 2017, subject to the specific terms and conditions of each individual agreement. However, the delivery timeline was later revised, with the Developer stating an amended date for possession, i.e., December 2020. Despite this revised commitment, the Petitioners allege that the possession has not been delivered as promised, nor has any alternative solution been offered by the Corporate Debtor to resolve the delay.

6.5 Further, upon considering the facts of the case in their entirety, it is apparent that a continuous cause of action arises in this matter. The Developer has not provided possession of the residential units to the homebuyers to date, thereby sustaining a continuing breach of the commitments made under the Builder Buyer Agreements. This is a matter of significant concern as it reflects an ongoing default. Our position is further reinforced by the judgment of the Hon'ble Supreme Court in **Lata Construction and Others v. Dr. Rameshchandra Ramniklal Shah** (2000) 1 Supreme Court Cases 586, wherein it was held:

*“4. A perusal of the agreement dated 23-2-1991 would show that it was specifically stated therein that the rights under the agreement dated 27-1-1987 would remain unaffected. It was for this reason that in the claim petition filed before the Commission, it was clearly mentioned that their rights under the agreement dated 27-1-1987 as also those under the agreement dated 23-2-1991 may be enforced. It was also specifically mentioned in the second agreement that the first agreement of 1987 would be treated as terminated only on full payment of the stipulated amount of Rs. 9,51,000 to the respondents. **Since the rights under the agreement of 1987 had***

***not been given up and the appellants were constantly under an obligation to provide a flat to the respondents and deliver possession thereof to them, the commission rightly treated “Cause of action” to be a “continuing cause of action” and came to the right conclusion that the claim was not beyond time.”***

6.6 The Petitioners have also placed sufficient documentation on record to substantiate their claims. These documents include a detailed list of the Financial Creditors, showing the principal amount invested by each, along with the corresponding dates of default. Further, copies of the Builder Buyer Agreements (BBAs) / payment receipts / builder ledgers reflecting the payments made by the Petitioners, and consent letters duly signed by the Petitioners are all part of the record. These documents collectively establish that the debt owed by the Corporate Debtor to the Petitioners exceeds the statutory threshold of one crore rupees, as prescribed under the IBC, and are essential for initiating the corporate insolvency resolution process under Section 7 of the IBC.

6.7 It has come to light, through IA 2197(ND)/2024, that the Corporate Debtor transferred development rights in Tower-5 to M/s SGN Universal Construction Company Private Limited under a Development Rights Agreement dated 22.02.2017. However, the subsequent Addendum dated 15.10.2020 references the transfer of land itself, which raises concerns about the timing and intent behind such a provision. This late addition to the agreement, especially after the Corporate Debtor's default in delivering possession to

homebuyers in 2017, appears to be an afterthought, possibly aimed at retroactively transferring land rights.

6.8 As a matter of general prudence, if the possession of the flats was to be handed over in June 2017, when the Corporate Debtor signed the first Development Rights Agreement on 22.02.2017, substantial progress on construction should have been made by that time, had everything proceeded as planned. However, it appears that no substantial work had been completed as of 22.02.2017, and consequently, possession could not have been transferred in June 2017. In light of this, it seems that the Corporate Debtor, unable to fulfill its commitment to deliver possession, sought to mitigate its liabilities by transferring the development rights of Tower-5. This transfer could be viewed as an attempt to salvage at least a portion of the project by retroactively adjusting its contractual obligations, thereby raising further questions about the timing and motivations behind such actions.

6.9 We have also taken into consideration the order of Hon'ble Delhi High Court dated 15.03.2024 in OMP (I) (COMM) 311 of 2022, whereby the Hon'ble Court appointed Hon'ble Justice R. Bhat (Retd.) as the sole Arbitrator to resolve the dispute between the parties namely M/s SGN Universal Construction Company Private Limited and the Corporate Debtor.

6.10 We further take note of Section 238 of the Insolvency and Bankruptcy Code, 2016, which unequivocally provides that the provisions of the IBC shall override any other conflicting law. This provision reads:

*“Section 238 - Provisions of this Code to override other laws:*

*The provisions of this Code shall have effect notwithstanding anything to the contrary contained in any other law for the time being in force.”*

This provision is a clear and unambiguous declaration that, in the event of any inconsistency or conflict between the provisions of the IBC and any other law, the provisions of the IBC shall take precedence. This overriding effect includes conflicts with other statutes, such as the Companies Act, 2013, the Recovery of Debts Due to Banks and Financial Institutions Act, 1993 (RDDBFI Act), and the SARFAESI Act (Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002).

6.11 Several authoritative decisions by the Hon'ble Supreme Court and High Courts have consistently affirmed the primacy of the IBC over other statutory provisions, particularly in matters concerning insolvency resolution and creditor rights. Some of the relevant decisions are summarized as follows:

***a) Swiss Ribbons Pvt. Ltd. v. Union of India (2019) 4 SCC 17:***

*In this landmark judgment, the Hon'ble Supreme Court upheld the constitutional validity of the IBC and affirmed that the provisions of the Code supersede other laws relating to corporate insolvency. The Court stressed the necessity of the IBC to facilitate a time-bound resolution process and stated that the Code provides a "uniform framework" for addressing insolvency.*

***b) State Bank of India v. V. Ramakrishnan (2021) 7 SCC 170:***

*The Hon'ble Supreme Court observed that the provisions of the IBC take precedence over the provisions of other statutes that deal with the enforcement of recovery and security interests. It stated that the resolution process under the IBC is the primary process, and other recovery mechanisms cannot override it.*

**c) *Lalit Kumar Jain v. Union of India (2020) 9 SCC 821:***

*In this case, the Court reinforced the point that any provision in a law that conflicts with the IBC will not hold precedence. The Court specifically held that the IBC is meant to "override" any conflicting law, including the Companies Act, 2013, when it comes to corporate insolvency.*

6.12 Moreover, we note that the interim stay order passed by the Delhi High Court specifically pertains to the Corporate Debtor and does not constitute a stay in rem. As such, the stay order will not affect the ongoing Corporate Insolvency Resolution Process (CIRP) under the IBC, provided the stay does not prevent the continuation of the insolvency proceedings. It is pertinent to observe that arbitration proceedings cannot act as a hindrance to the IBC process. The IBC is a self-contained code with its own mechanisms, and Section 238 of the Code explicitly ensures that the provisions of the IBC override any other law, including the Arbitration and Conciliation Act, 1996. Once insolvency proceedings are initiated under the IBC, they take precedence over all other legal proceedings, including any parallel arbitration proceedings.

6.13 This principle has been consistently reaffirmed by the Hon'ble Supreme Court in various judgments, which uphold the supremacy of the IBC over

other dispute resolution mechanisms, such as arbitration. Relevant rulings in this regard include:

**a) K. Kishan v. Vijay Nirman Company Pvt. Ltd. (2020) 16 SCC 308:**

*The Hon'ble Supreme Court held that even if a matter is pending arbitration, the **corporate insolvency resolution process** (CIRP) can be initiated and continued under the **IBC**. Arbitration cannot hinder or stay the process of insolvency resolution. The Court affirmed that **IBC has a distinct and independent procedure** for dealing with insolvency matters, and arbitration cannot bypass or stall the IBC process.*

**b) Erstwhile Surya Constructions Pvt. Ltd. v. Union of India (2019) 2 SCC 386:**

*The Court emphasized that once the insolvency process is triggered, no other proceeding, including **arbitration**, can hinder or interfere with the **resolution or liquidation process**. The IBC process is meant to be **time-bound** and has precedence over other recovery or dispute resolution mechanisms like arbitration.*

6.14 Based on the foregoing analysis, it is abundantly clear that the Corporate Debtor has committed a default in failing to deliver possession of the allotted units within the agreed timelines as stipulated in the Builder Buyer Agreements. This constitutes a default under the provisions of the IBC, thereby justifying the initiation of the corporate insolvency resolution process. The documents on record, coupled with the continuous nature of the default, leave no room for doubt that the Petition is maintainable and that the default is both substantiated and actionable under the Insolvency and Bankruptcy Code, 2016.

7. In light of the above facts and circumstances, it is ordered as follows:
- 7.1 The Application bearing **CP IB-62(ND)/2024** filed by the Applicant/(FC), under section 7 of the Code read with Rule 4 of the Adjudicating Authority Rules for initiating CIRP against the Corporate Debtor is **admitted**.
- 7.2 We also declare moratorium in terms of Section 14 of the Code. The necessary consequences of imposing the moratorium flows from the provisions of Section 14 (1) (a), (b), (c) & (d) of the Code. Thus, the following prohibitions are imposed:
- (a) The institution of suits or continuation of pending suits or proceedings against the corporate debtor including execution of any judgment, decree or order in any court of law, Adjudicating Authority, arbitration panel or other authority;*
  - (b) Transferring, encumbering, alienating or disposing of by the corporate debtor any of its assets or any legal right or beneficial interest therein;*
  - (c) Any action to foreclose, recover or enforce any security interest created by the corporate debtor in respect of its property including any action under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002;*
  - (d) The recovery of any property by an owner or lessor, where such property is occupied by or in the possession of the corporate debtor.*
  - (e) The IB Code 2016 also prohibits Suspension or termination of any license, permit, registration, quota, concession, clearances or a similar grant or right given by the Central Government, State Government, local authority, sectoral regulator or any other authority constituted under any other law for the time being in force, on the grounds of insolvency, subject to the condition that there is no default in payment of current dues arising for the use or continuation of the license,*

*permit, registration, quota, concessions, clearances or a similar grant or right during the moratorium period.*

- 7.3 It is made clear that the provisions of moratorium shall not apply to transactions which might be notified by the Central Government or the supply of the essential goods or services to the Corporate Debtor as may be specified, are not to be terminated or suspended or interrupted during the moratorium period. In addition, as per the Insolvency and Bankruptcy Code (Amendment) Act, 2018 which has come into force w.e.f. 06.06.2018, the provisions of moratorium shall not apply to the surety in a contract of guarantee to the corporate debtor in terms of Section 14 (3)(b) of the Code.
- 7.4 We also declare a moratorium in terms of Section 14 of the Code. The order of moratorium shall have effect from the date of this order till the completion of the Corporate Insolvency Resolution Process or until this Adjudicating Authority approves the Resolution Plan under sub-section (1) of Section 31 or passes an order for liquidation of Corporate Debtor Company under Section 33 of the Insolvency & Bankruptcy Code, 2016, as the case may be.
- 7.5 The Applicant has proposed the name of **Mr. Shailendra Singh** as the Interim Resolution Professional (“IRP”) having address: **6, Birbal Road, Ground Floor, Jangpura Extension, South, National Capital Territory of Delhi, 110014**. His Email id is **shailendralaw@gmail.com**. His registration number is **IBBI/IPA-002/IP-N00471/2017-2018/11372**. The Applicants have filed a copy of the consent issued by **Mr. Shailendra Singh** in Form 2 and Written Communication by proposed IRP, as per the requirement of



Rule 9(l) of the Adjudicating Authority Rules along with the Certificate of Registration and Authorization for Assignment in Form B (*Attached to the Application as Annexure-A1*). Accordingly, **Mr. Shailendra Singh** is appointed as IRP.

- 7.6 In pursuance of Section 13(2) of the Code, we direct the IRP to make a public announcement immediately with regard to the admission of this application under Section 7 of the Code. The expression immediately means within three days as clarified by Explanation to Regulation 6(1) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016.
- 7.7 During the CIRP period, the management of the Corporate Debtor shall vest in the IRP/RP, in terms of Section 17 of the IBC. The officers and managers of the Corporate Debtor shall provide all documents in their possession and furnish every information in their knowledge to the IRP within one week from the date of receipt of this order, in default of which coercive steps will follow. There shall be no future opportunity given in this regard.
- 7.8 The IRP shall perform all his functions as contemplated, inter alia, by Sections 17, 18, 20 & 21 of the Code. He is expected to take full charge of the Corporate Debtor's assets, and documents without any delay whatsoever. He is also free to take police assistance and this Court hereby directs the Police Authorities to render all assistance as may be required by the IRP in this regard.

- 7.9 The IRP or the RP, as the case may be shall submit to this Adjudicating Authority periodical report with regard to the progress of the CIRP in respect of the Corporate Debtor.
- 7.10 The Financial Creditor shall deposit a sum of Rs 2,00,000/- (Rupees Two Lakh Only) with the IRP to meet the expense to perform the functions assigned to him in accordance with Regulation 6 of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Person) Regulations, 2016. The needful shall be done within one week from the date of receipt of this order by the Financial Creditor. The amount however be subject to adjustment by the Committee of Creditors, as accounted for by IRP and shall be paid back to the Financial Creditor.
- 7.11 In terms of Section 7(7) of the Code, the Registry is hereby directed to communicate a copy of the order to the Financial Creditor, the Corporate Debtor, the IRP and the Registrar of Companies, NCT of Delhi and Haryana, by Speed Post and by email, at the earliest but not later than seven days from today.
- 7.12 The Registrar of Companies shall update his website by updating the status of the Corporate Debtor and specific mention regarding admission of this petition must be notified.
- 7.13 The Registry is further directed to send a copy of this order to the Insolvency and Bankruptcy Board of India ("IBBI") for their record.
- 7.14 A certified copy of this order may be issued, if applied for, upon compliance with all requisite formalities.

Accordingly, the present petition bearing CP No. **IB 62 (ND)/2024** is **admitted.**

**-sd-**

**(DR. SANJEEV RANJAN)**

MEMBER (TECHNICAL)

**-sd-**

**(MANNI SANKARIAH SHANMUGA SUNDARAM)**

MEMBER (JUDICIAL)

**IN THE NATIONAL COMPANY LAW TRIBUNAL  
NEW DELHI, COURT - IV**

**IA 2197(ND)/2024 in CP No.: IB 62(ND)/2024**

*(Under Section 60(5) read with 7(5) of the Insolvency and Bankruptcy Code, 2016 read with Rule 11 of NCLT Rules, 2016)*

**IN THE MATTER OF:**

**Mr. Shailendra Kumar Singh & Ors.**

...Financial Creditors / Applicants

VERSUS

**M/s Morpheus Prodevelopers Private Limited**

...Corporate Debtor / Respondent

**AND IN THE MATTER OF:**

**M/s SGN Universal Construction Company Private Limited**

...Applicant

VERSUS

**Mr. Shailendra Kumar Singh & Ors.**

**Pronounced on: 19.11.2024**

**CORAM:**

**SHRI MANNI SANKARIAH SHANMUGA SUNDARAM, HON'BLE  
MEMBER (JUDICIAL)**

**DR. SANJEEV RANJAN, HON'BLE MEMBER (TECHNICAL)**

**Present:**

For Applicant : Adv. Aakash Lodha, Adv.

For Respondent : -

## ORDER

### PER: MANNI SANKARIAH SHANMUGA SUNDARAM, MEMBER (JUDICIAL)

1. This Application is filed under Section 60(5) read with 7 (5) of the Insolvency and Bankruptcy Code, 2016 read with Rule 11 of NCLT Rules, 2016 by M/s SGN Universal Construction Company Private Limited (“**Applicant**”) against Mr. Shailendra Kumar Singh & 39 others (“**Respondents**”) seeking the following against M/s Morpheus Prodevelopers Private Limited [CIN: U70101DL2009PTC193186] (“**Corporate Debtor**”):

*“A. Pass an order taking on record the aforementioned facts so as to ensure that the orders of this Hon'ble Tribunal do not conflict with the orders of the Hon'ble Delhi High Court as presently in force;*

*B. Pass any such further orders as this Hon'ble Adjudicating Authority may deem fit in the interest of justice.”*

2. The Corporate Debtor was incorporated on 13.08.2009, under the Companies Act, 1956. Its registered office is at 1 Main Road Maujpur, Delhi, India, 110053. Therefore, this Bench has the requisite territorial and subject-matter jurisdiction to entertain and adjudicate the present Application.

3. The Corporate Debtor, namely M/s. Morpheus Prodevelopers Private Limited, is primarily engaged in the real estate and construction business. In the year 2019, the Corporate Debtor launched a residential project which comprises three multi-storied residential towers, namely Towers 3, 4, and 5, situated at Plot No. 2, GH-04, Sector 4, Greater Noida Industrial Development Authority, Uttar Pradesh.

4. The Applicant further averred in the Application that the Corporate Debtor had transferred the development rights of Tower-5 of the aforementioned housing project to the Applicant. However, despite this transfer of rights, the Corporate Debtor continued to sell units in Tower-5. To protect its development rights, the Applicant filed a petition, numbered OMP (I) (COMM) 311 of 2022, before the Hon'ble Delhi High Court under Section 9 of the Arbitration and Conciliation Act, 1996, seeking appropriate relief.
5. Upon perusal of the documents annexed with the Application, this Bench finds that the Hon'ble Delhi High Court, by order dated 15.03.2024, appointed Hon'ble Justice R. Bhat (Retd.) as the sole Arbitrator to resolve the dispute between the parties.
6. This Application is taken on record and will be considered by this Bench while dealing with the Section 7 Petition filed by Mr. Shailendra Kumar Singh & Ors. against the respondent M/s Morpheus Prodevelopers Private Limited numbered as CP IB 62(ND)/2024.

Accordingly, the present application bearing IA **2197(ND)/2024** stands **disposed of**.

File be consigned to records.

**-sd-**

**(DR. SANJEEV RANJAN)**

MEMBER (TECHNICAL)

**-sd-**

**(MANNI SANKARIAH SHANMUGA SUNDARAM)**

MEMBER (JUDICIAL)