



\$~C-9 to C-16

\* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

C-9

+ CO.PET. 668/2014 and CO.APPLs. 1040/2015, 759/2018, 760/2018, 761/2018, 809/2018, 1049/2018, 1106/2018, 25/2019, 26/2019, 27/2019, 121/2019, 403/2019, 445/2019, 717/2019, 718/2019, 729/2019, 965/2019, 1039/2019, 1042/2019, 536/2020, 632/2020, 635/2020, 650/2020, 723/2020, 738/2020, 47/2021, 175/2021, 371/2021, 691/2021, 135/2022, 215/2022, 313/2022, 314/2022, 510/2022, 549/2022, 561/2022, 589/2022, 590/2022, 30/2023, 116/2023, 176/2023, 269/2023, 515/2023, 516/2023, 518/2023, 625/2023, 720/2023, 741/2023, 858/2023, 859/2023, 194/2024, 195/2024, 196/2024, 197/2024, 198/2024, OLRs 26/2022, 33/2023 & 94/2023

ABHINANDAN KUMAR JAIN

..... Petitioner

Through:

versus

MVL LIMITED

..... Respondent

Through: Mr. Kunal Sharma and Mr. Shubhendu Bhattacharyya, Advs. for OL  
Ms. Babita Seth, Adv. for applicant in CA Nos. 515/2023 and 516/2023  
Mr. Lalan Sinha, Adv. for applicant in CA No. 858/2023 and CA No. 859/2023  
Mr. Ankit Kumar, Adv. for applicant  
Mr. Yash Srivastava, adv. for Applicant in 717/2019  
Mr. Paramvir S., Adv. for applicant in CA No. 530/2023  
Mr. Jagdeep Vats and Mr. Gaganmeet Singh Sachdeva, Advs. for applicant in CA No. 219/2022  
Mr. Mohit Gupta and Mr.



Inderdeep Singh Ahluwalia,  
Advs. for applicant in CA No.  
198/2024

Mr. Kunal Sabharwal, Adv. for  
applicant in CA No. 1046/2018

Mr. J. Sai Deepak, Mr. Rachit  
Devgun, Ms. Sugandha Sharma  
and Mr. R. Abhishek, Advs. for  
applicant in CA No. 536/2020

Mr. Lalit Gupta, Mr. Abhishek  
Kumar and Mr. Aditya  
Dhankar, Advs. for

applicant/Jasbir Singh Malhotra  
Mr. Nishant Bhardwaj, Adv. for  
the applicant in CA No.  
27/2019

Ms. Meghna Kar and Mr. Anuj  
Upadhyay, Advs. for applicant  
in CA 561/2022, CA Nos. 194-  
196/2024

Mr. Arvind Sharma, Adv. for  
applicant in CA No. 723/2020  
and CA No. 738/2020

Mr. Paramvir Singh Narang and  
Mr. Pankaj Bansal, Advs. for  
applicants

Mr. Vivek Sibal, Sr. Adv. with  
Mr. Abhay Pratap Singh, Advs.  
for the respondent

C-10

+ CO.PET. 734/2014

ADHIKAR CONSTRUCTION PVT LTD ..... Petitioner

Through:

versus

MVL LIMITED

..... Respondent

Through: Mr. Kunal Sharma and Mr.  
Shubhendu Bhattacharyya,  
Advs. for OL



C-11

+ CO.PET. 656/2016

VINOD AGARWAL (HUF)

..... Petitioner

Through:

versus

MVL LTD.

..... Respondent

Through: Mr. Kunal Sharma and Mr.  
Shubhendu Bhattacharyya,  
Advs. for OL

C-12

+ CO.PET. 657/2016

VINOD AGARWAL (HUF)

..... Petitioner

Through:

versus

MVL LTD.

..... Respondent

Through: Mr. Kunal Sharma and Mr.  
Shubhendu Bhattacharyya,  
Advs. for OL

C-13

+ CO.PET. 658/2016

BRIJENDER S NEGI & ANR

..... Petitioners

Through:

versus

MVL LTD.

..... Respondent

Through: Mr. Kunal Sharma and Mr.  
Shubhendu Bhattacharyya,  
Advs. for OL

C-14

+ CO.PET. 779/2016

RAMESH KUMAR KHANNA

..... Petitioner

Through:



versus

MVL LIMITED

..... Respondent

Through: Mr. Kunal Sharma and Mr.  
Shubhendu Bhattacharyya,  
Advs. for OL

C-15

+ CO.PET. 788/2016

RAJEEV KHANNA

..... Petitioner

Through:

versus

MVL LIMITED

..... Respondent

Through: Mr. Kunal Sharma and Mr.  
Shubhendu Bhattacharyya,  
Advs. for OL

C-16

+ CO.PET. 977/2016

PRATEEK DHAWAN

..... Petitioner

Through:

versus

MVL LIMITED

..... Respondent

Through: Mr. Kunal Sharma and Mr.  
Shubhendu Bhattacharyya,  
Advs. for OL

**CORAM:**

**HON'BLE MR. JUSTICE DHARMESH SHARMA**

**ORDER**

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**13.02.2024**

1. This hearing is being conducted through hybrid mode.

**CO.APPL. 536/2020 and CO.APPL. 530/2023**

2. Learned Senior Counsel for applicant in CA 536/2020 as well as learned counsel for the applicant in CA 530/2023 seek a small



modification in the order dated 18.01.2024 passed by this Court. They have alluded to paragraph (08) of the earlier order, as also the direction of the Hon'ble Supreme Court dated 29.04.2023.

3. Having heard the learned counsels for the parties and also the parties present, a modification is required since evidently the issues as to whether or not refunds are to be allowed to some of the investors, is still open and yet to be considered and decided by the Supreme Court. Hence, paragraph (8) shall henceforth be read accordingly.

**CO.PET. 668/2014**

4. Learned Senior Counsel for the propounder/Ex-Management who seeks to revive the company (in liquidation) has invited the attention of this Court to the order dated 14.09.2023 whereby vide paragraphs (17) to (20) , the following directions were passed:-

17. Insofar as *MVL Palms Residential* - Bhiwari, Rajasthan is concerned, there are two applications i.e. **Co. APPL. 2541/2019** and **CO.APPL. 12821/2019** filed by the allottees of the said project seeking refund of the amounts paid by them. Some of the allottees who are present in the Court submit that there are 600 plus buyers in the *MVL Palms Residential* project. These two applications were disposed of vide order dated 30th March, 2022. The said order reads as under:

"CA Nos. 51612017, 517/2017, 51812017, 51912017, 99112017, 99212017, 99312017, 1046/2018, 254/2019, 44412019, 68112019, 1062/2019, 1145/2019 & 639/2021

*4. These are applications filed by various persons for being impleaded in the present petition. The said parties claim to be creditors or otherwise persons, who have dealt with the company. The Provisional Liquidator has since been appointed and there is no requirement to implead all the creditors in this petition.*

*5. The applications are, accordingly, dismissed.*

*Co.PET 668/2014 and CA Nos. 1040/2015, CA Nos. 759/2018, 760/2018, 7611/2018, 8091/2018,*



10491/2018, 1106/2018, 2512019, 2612019, 121/2019, 403/2019, 445/2019, 717/2019, 718/2019, 72912019, 965/2019, 1039/2019, 1042/2019, 1282/2019, 1288/2019, 1332/2019, 1333/2019, 1334/2019, 133512019, 1336/2019, 133712019, 53612020, 63212020, 63512020, 65012020, 72312020, 73812020, 47/2021, 174/2021, 175/2021, 192/2021, 37112021, 691/2021, 591/2022 & 1351/2022

6. By an order dated 05.07.2018, this Court had appointed the Official Liquidator as the Provisional Liquidator. However, by an order dated 25.07.2018, the publication of citations have been stayed. Since there are large number of creditors seeking to support the petitioner, this Court considers it apposite to vacate the said stay and direct the Official Liquidator to publish the citations.

7. List on 28.04.2022."

18. As per the **OLR 861/2023**, there is no construction that has taken place in this project. A perusal of the above orders would show that the said applications qua *MVL Palms Residential* project were dismissed as the OL has been appointed. Accordingly, steps would have to be taken by the OL to settle the claims of these creditors.

19. Considering the fact that the other projects of the Respondent require large amount of funds for completion prior to handing over of possession as also for refunds of the amounts claimed by the buyers/creditors, it is deemed appropriate to direct as under:

- i) The OL shall get the land of *MVL Palms Residential* project located in Bhiwari, Rajasthan valued and shall place a valuation report on record within two weeks.
- ii) Let the valuation report be placed on record along with the draft sale notice.

20. The Ex-management is also permitted to place its valuation report on record along with details of any purchaser who is willing to invest and purchase the said land. If no proposal comes from the Ex-management on the next date of hearing, the Court shall proceed further to permit the auction of the said land by the OL.

5. It is submitted that pursuant to the aforesaid directions, a short affidavit of Mr. Prem Adip Rishi, Director of the respondent company has been filed on 09.10.2023. It is pointed out that the matter was then taken up on 10.10.2023, on which date, vide paragraphs (06) and



(08), this Court passed the following directions:-

‘6. A proposal has been submitted by the ex-management, in respect of the project MVL Palms Residential Project by way of an affidavit. If the allottees of MVL Palms Residential Project wish to make submissions on this proposal or file any other proposal, they may do so by filing an application. List all these matters for hearing on 13<sup>th</sup> February, 2024.

8. The valuation report in respect of MVL Palms Residential Project shall be placed on record as a last opportunity within four weeks, by the OL, failing which the court would be constrained to direct changing of the valuer.’

6. It is submitted that none of the investors with regard to the project in question i.e. MVL Palms Residential Project have filed any objections so far to the tentative proposal submitted by the applicant.

7. Learned Senior Counsel has taken this Court through the depositions in the affidavit of the Ex-Management Director of the company/propounder and a certain proposal is mooted to convert the entire plot measuring about 5.5 acres into a residential complex by doing necessary works such as erection of boundary walls, plotting of the areas, *inter-alia* carving out common areas such as roads, park as also a small commercial complex besides necessary permissions from the concerned authorities. It is submitted that by way of the present proposal, the Ex.-Management would be able to generate enough funds so as to make re-payment of the investment done by various parties in the project except for avoiding payment of interest on the investments made so far by the investors in the project.

8. Learned Senior Counsel for the Ex-Management has also urged that there are two options available, either that the Ex-Management may be allowed to take carry out the proposed conversion of the plots into residential units and realize the amount from the sale of the residential plots, envisaging investing of the funds generated in an escrow account which may be operated by the Official Liquidator, or



alternatively the Official Liquidator may take over the entire project and do the needful.

9. It is also submitted that in order to show their *bona-fide* the Ex-Management would also infuse funds which may be upto total sum of upto Rs. 2 crores for seeking necessary permissions, raising of boundary walls, plotting and developmental work, etc.

10. Learned Additional Standing Counsel for the Official Liquidator submits that the Official Liquidator is simultaneously conducting valuation report with regard to the entire project and certain inputs are being sought. It is provided that if need be, inputs may be sought from the Ex.-Management with regard to the proposals submitted on their behalf.

11. Since, the affidavit is only by way of a tentative proposal, the Ex-Management is allowed to put up a formal proposal setting out the details all the aspects of the proposed project as to the manner in which the entire area would be converted into the residential project, plotting, common area, etc. besides time span/ timeline thereof. The same should be substantiated by in a report of an accredited architect besides elaborating on the details of the escrow account and other related matters.

12. Let Official Liquidator may also carry on parallel exercise so as to ascertain the feasibility of converting the entire MVL Palms Residential Project to one as proposed by the applicant/ ex management after taking all relevant inputs including ascertaining financial viability in respect of repayment/refund of the amount of the investors parties in the MVL Palms Residential Project.

13. The status report be filed by Official Liquidator within six weeks from today.





14. In the meanwhile, since none of the investors in the project has preferred to raise any objections to the proposal put forth by the Ex-Management, let notice be issued to them by the Ex. Management as well the OL apprising them about the present proceedings as also the proposal which would be submitted and under consideration of this Court, so that if anyone has any objections, the same may be taken care of at the threshold.

15. Insofar as another plaint of the MVL Coral Residential project, this may come up for consideration on the date already fixed i.e. 15.02.2024.

16. Re-notify on 16.05.2024.

**DHARMESH SHARMA, J.**

**FEBRUARY 13, 2024**

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