

## **NCLAT Reverses Tribunal Order Against Raheja**

The National Company Law Appellate Tribunal has set aside a tribunal order to appoint an interim resolution professional for Gurgaon-based Raheja Developers, and allowed the company board to take charge of the real estate developer.

“The appellant is released from all the rigours of ‘moratorium’ and is allowed to function through its board of directors from immediate effect,” an NCLAT bench said.

Raheja Developers had moved NCLAT against a National Company Law Tribunal (NCLT) order issued on August 20, 2019 on a complaint filed by two homebuyers for alleged delay in delivery at its Sampada project in Gurgaon.

The NCLAT order also talked about the misuse of insolvency law and said the respondents in the case are liable for imposition of penalty.

“However, in facts and circumstances of the case, we are not imposing such penalty on first and second respondents, who even in presence of this appellate tribunal refused to accept money in terms of the agreement and also refused to take possession of the flat,” the order said.

Raheja argued that though they had completed the project in 2013 and applied for a completion certificate, the local authority delayed issuing the document.

*(Economic Times)*