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

\+ W.P.(C) 10942/2024

SSARVI RESOLUTION SERVICES LLP .....Petitioner

Through: Mr. Mehul Parti and Ms. Zoya Junaid, Advocates.

versus

DIRECTORATE GENERAL OF CIVIL AVIATION AND ORS .....Respondents

Through: Ms. Eshna Kumar and Ms. Lakshmi, Advocates for R-2.
Mr. Digvijay Rai, Mr. Archit Mishra, Mr. Nikhil Singla and Mr. Zeeshan Haider, Advocates for R-3.

CORAM:
HON'BLE MR. JUSTICE SANJEEV NARULA

<u>O R D E R</u>

% **07.08.2024**

<u>CM APPL. 45061/2024</u> *<u>(seeking exemption)</u>*

1. Exemption is granted, subject to all just exceptions.

2. The Petitioner shall file legible and clearer copies of exempted documents, compliant with practice rules, before the next date of hearing.

3. Accordingly, the application stands disposed of.

<u>W.P.(C) 10942/2024</u>

4. The Petitioner– SSARVI Resolution Services LLP is the Resolution Professional (RP) appointed under order dated 24th January, 2024 in CIRP proceedings bearing No. C.P.(IB)/368(MB)2023 in respect of Supreme

Transport Organisation Private Limited[1]. Petitioner urges that Respondent No. 1– Directorate General of Civil Aviation (DGCA) has issued a Certificate of Registration dated 11th March, 2024[2] in favour of Respondent No. 2– S-4 Aviation and Logistics Inc., thereby validating the sale of the Aircraft bearing ID No. VT-SAI Cessna Grand Caravan C208B and Serial No. 208B2174[3] and transferring ownership to Respondent No. 2 despite the imposition of moratorium under the Insolvency and Bankruptcy Code, 2016[4].

5. Mr. Mehul Parti, counsel for Petitioner, urges that the Corporate Debtor owns the Aircraft, which is currently stationed at Jaipur Airport and is in working condition. He submits that Petitioner became aware of the Impugned COR in April 2024 and found that the Purchase Agreement dated 01st May, 2023[5] had been executed by the Corporate Debtor whilst it was under the management and control of its erstwhile Directors. He submits that this Purchase Agreement was executed just a few months before admission of CIRP proceedings and after filing of proceedings under Section 7 of IBC by Axis Bank Limited on 28th April, 2023, and is thus clearly an attempt to deceive the Petitioner and other creditors by engaging in fraudulent activities. He submits that the Corporate Debtor has, through the sale, dissipated the assets of the Corporate Debtor and therefore, the Impugned COR is liable to be cancelled.

6. Mr. Parti also highlights that the Petitioner has filed an interlocutory application under Section 43 of the IBC before the National Company Law

[1] "Corporate Debtor"
[2] "Impugned COR"
[3] "the Aircraft"
[4] "IBC"

Tribunal (NCLT) for declaring the Purchase Agreement to be a preferential transaction under the IBC. Be that as it may, he submits that jurisdiction of this Court has been invoked as only the High Court can grant the relief of de-registration of the aircraft, as held by this Court in judgment dated 26th April, 2024 in W.P.(C) 6569/2023 and other connected matters.[6] Mr. Parti states that although Petitioner has stated in the petition that he is willing to withdraw the said application, however, if the Court were to direct NCLT to decide the aforenoted application and clarify that the Petitioner shall be at liberty to approach this Court for final directions of de-registration, he would be satisfied.

7. At the outset, Ms. Eshna Kumar, counsel for Respondent No. 2, submits that this Court does not have the jurisdiction to entertain the present petition and all the grievances urged can be raised before the NCLT, which the Petitioner has, in fact, already done through the aforenoted interlocutory application. Further, she disputes the allegations made in the present petition, contending that the sale of the Aircraft was effected prior to the admission of CIRP proceedings and therefore, it is a valid sale. In this regard, she states that she will furnish copy of the Purchase Agreement to the Petitioner. Let the same be done within a period of one week from today.

8. Mr. Digvijay Rai, counsel for Respondent No. 3, states that he is not a necessary party and has been unnecessarily dragged into this litigation. He submits that the Jaipur Airport, where the Aircraft in question is presently stationed, has since been privatised and therefore, Respondent No. 3 has no role in the present proceedings.

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[5] "Purchase Agreement"

[6] Neutral Citation No. – 2024:DHC:3279.

9. In light of the contentions noted above, in the opinion of the Court, it would be appropriate that the Petitioner's grievances in respect of sale of the Aircraft be considered by the NCLT. It is ordered accordingly. Should the Petitioner succeed in the aforenoted application under Section 43 of the IBC, they shall be at liberty to apply to this Court for consequential direction, if necessary, for de-registration of the Aircraft.

10. It is clarified that the Court has not commented on the merits of the case, and all rights and contentions of the parties are left open. The NCLT is requested to consider Petitioner's interlocutory application under Section 43 of the IBC on its own merits, in accordance with law.

11. With the above directions, the present petition is disposed of.

SANJEEV NARULA, J

AUGUST 7, 2024
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