

(2017) 04 DEL CK 0094

In the Delhi High Court

Case No : 12 of 2017

ANURADHA SA INVESTMENTS LLC & ANR

APPELLANT

Vs

PARSVNATH DEVELOPERS LIMITED & ORS

RESPONDENT

Date of Decision : 20-04-2017

Acts Referred:

[Arbitration and Conciliation Act, 1996](#), [Section 36](#), [Section 34](#), [Section 73](#), [Section 74](#), [Section 34\(3\)](#), [Section 34\(2\)](#)

Citation : (2017) 04 DEL CK 0094

Hon'ble Judges : Vibhu Bakhru

Bench : SINGLE BENCH

Advocate : Rajiv Nayar, Samir Malik, Shivangi Vaid, Sourabh Seth, Divya Sharma, P V Kapur, Vijay Nair, Manoranjan Sharma, Vimal Nagrath, Sidharth Kapur, Pratibha Sridhar, Kaveri Gupta, Divya Kapur

Judgement

1. The above captioned petition has been filed for enforcement of the Settlement Agreement dated 03.06.2016 (hereafter "the Settlement Agreement"). It is the petitioners' case that the Settlement Agreement has been arrived at pursuant to conciliation proceedings under Sections 73/74 under Part III of the Arbitration and Conciliation Act, 1996 (hereafter "the Act") and, therefore, is enforceable as an arbitral award.

2. The respondents seek to challenge the maintainability of the present petition essentially on the ground that the Settlement Agreement is not an agreement under Section 73 of the Act or as a result of conciliation proceedings under Part III of the Act. Without prejudice to the same, the respondents further assert that they had not received the authenticated copy of the Settlement Agreement and, therefore, the limitation period to assail the same under Section 34 of the Act has not expired; consequently the present petition is pre-mature. It is also contended that the Settlement Agreement is insufficiently stamped.

3. The Settlement Agreement was entered into in the context of the disputes that had arisen between the parties in connection with an Investment Agreement dated 21.12.2010 (hereafter "the Investment Agreement"), in terms of which the petitioners had invested ₹900 million to subscribe to 490,000 Class A equity shares, 100,000 Class B equity shares and 8,751,000 Series A fully convertible debentures of respondent no.4 company for funding of two of its residential development projects in Ghaziabad and New Delhi.

4. The petitioners are overseas companies; petitioner no.1 is incorporated under the laws of Mauritius and petitioner no.2 is incorporated under the laws of Cyprus. Respondent no.1 is a public company. Respondent nos.2 and 4 are private companies. Respondent no.3 is an individual. The respondents are, inter alia, engaged in dealing and development of real estate.

5. Disputes arose between the parties as the petitioners alleged that respondents had taken decisions in regard to several matters (affirmative voting matters) without prior consent of the petitioners, being contrary to the terms of the Investment Agreement. Admittedly, the parties agreed to resolve the same and entered into the Settlement Agreement. Whereas the petitioners contend that the Settlement Agreement was entered into pursuant to negotiations and conciliation proceedings taken in accordance with Part III of the Act, the respondents dispute the same. The respondents claim that the parties had already arrived at a settlement and the Conciliator was introduced only at the final stages prior to signing of the Settlement Agreement, at the instance of the petitioners. In terms of the Settlement Agreement, respondents agreed to pay a sum of ₹104,43,67,139/- as the settlement amount and ₹12,66,84,511/- as net interest on fully convertible debentures for the period 01.04.2015 to 31.07.2016. The said amounts were to be paid by 31.07.2016 failing which they would carry interest at the rate of 16% per annum.

6. The respondents were also required to pay a sum of ₹9,49,48,350/- as net interest on fully convertible debentures for the period 01.04.2014 to 31.03.2015. In terms of the Settlement Agreement, the said amount was to be paid on or before execution of the Settlement Agreement and the same was paid. Further, the Settlement Agreement provided that subject to the receipt of the settlement amount and net interest, the securities held by the petitioners in respondent no.4 would be purchased by respondents.

7. Although the sum of ₹9,49,48,350/- was paid to the petitioners and the Settlement Agreement was partly performed, the respondents have defaulted in paying the balance amount due to the petitioners.

8. The present petition was moved on 24.01.2017 and on the said date, it was contended on behalf of the respondents that the authenticated copy of the Settlement Agreement had not been received by them. This was disputed by the petitioners. In view of the stand of the respondents, the petitioners were asked to file an affidavit indicating the manner in which the authenticated copy of the

Settlement Agreement had been served on the respondents. In compliance with the said order, the petitioners have filed an affidavit clearly indicating that the authenticated copy of the Settlement Agreement had been forwarded to the lawyers of the respondents.

9. Mr P.V. Kapur, learned Senior Advocate appearing for the respondents contended that the Settlement Agreement was merely an agreement and could not be enforced as an award under the provisions of the Act. He contended that the parties had not proceeded with any conciliation proceedings and had executed the Settlement Agreement without the assistance of the Conciliator. He further stated that the parties had not appointed a Conciliator and, therefore, the Settlement Agreement could not be considered as an agreement under Section 73 of the Act. Next, he contended that the authenticated copy of the Settlement Agreement had not been served on the respondents and, therefore, even if the Settlement Agreement was to be enforced as an award, the respondents still had time to challenge the same under Section 34 of the Act and, therefore, the present petition was pre-mature. He did not dispute that the Settlement Agreement had been served on the lawyers engaged by the respondents; however, he contended that the service of the Settlement Agreement on the lawyers would not amount to serving the same on the parties.

10. He referred to Section 74 of the Act to contend that the Settlement Agreement shall have the status of an award rendered under Section 30 of the Act and in terms of Section 30(4) of the Act, such award would have the same status as an arbitral award. He contended that therefore, the Settlement Agreement would also be required to be served on the parties as required under Section 31(5) of the Act. He referred to the decision of the Supreme Court in *Benarsi Krishna Committee and Others v. Karmyogi Shelters Private Limited*: (2012) 9 SCC 496 in support of his contention that service of an award on advocates representing the parties would not satisfy the condition of Section 31(5) of the Act.

11. Next, he contended that the Settlement Agreement was not adequately stamped. He contended that in order for the Settlement Agreement to be enforced as an award, it was required to be stamped as such. He also referred to Schedule I to the Indian Stamp Act, 1889 and drew the attention to another entry 12 of the said schedule which specified that the stamp duty payable on an award was the same as a bond. He referred to the decision of the Karnataka High Court in *Smt. N.S. Geetha v. Sri B. Raghuveer and Another*: ILR 2008 KAR 3850 in support of his contention that stamp duty as applicable to an award was payable on the Settlement Agreement. He also referred to the decision of the Supreme Court in *M. Anasuya Devi and Another v. M. Manik Reddy and Others*: (2003) 8 SCC 565 and contended that although the deficiency in stamp or registration are not within the purview of Section 34 of the Act, the said question would be agitated at the stage of enforcement under Section 36 of the Act. Lastly, he also contended that the Settlement Agreement was contrary to the

provisions of the Foreign Exchange Management Act, 1999 (hereafter "FEMA") as it amounted to providing assured returns to the petitioners.

12. The first and foremost question to be addressed is whether the Settlement Agreement is to be enforced as an award under the provisions of the Act. At the outset, it is necessary to note that the execution of the Settlement Agreement is not in dispute. Recitals F,G,H and I of the Settlement Agreement are relevant and read as under:- "F. Consequently, the Promoters, the Company and the Investors have engaged in conciliation proceedings, before Mr. Piyoosh Gupta, Advocate ("Conciliator"), pursuant to Part III of the Act (as defined hereinafter) with a view to resolve the disputes with respect to the Non-Compliances.

G. Pursuant to the conciliation proceedings referred to in Recital F above conducted by the Conciliator through various hearings, the Parties have by mutual consent and with the assistance of the Conciliator, arrived at a settlement in relation to the disputes that arose between them.

H. Consequently, the Parties are entering into this Agreement to record the terms of settlement in the manner provided hereinafter. The Parties confirm that this Agreement shall be authenticated by the Conciliator as per the provisions of Section 73 of the Act.

I. The Parties expressly agree and confirm that this Agreement shall be construed in accordance with the provisions of the Act."

13. Clause 1.1.1 of the Settlement Agreement defines "Act" to mean "the Arbitration and Conciliation Act, 1996 or any statutory modification/amendment thereof".

14. Further, Clause 5.3 of the Settlement Agreement records as under:- "5.3 Enforceability

This Agreement shall have the same status and effect as if it is an arbitral award on agreed terms as per Section 74 of the Act. The Investors shall be entitled to enforce this Agreement in accordance with the applicable provisions of the Act in the event they do not receive the Amount Due and/or Outstanding Interest and/or the Net Interest (along with interest thereon payable under clauses 2.2(a) and 2.2 (b) above) on or before September 30, 2016."

15. In addition to the above, several emails have been placed on record which clearly indicate that the parties had engaged themselves in conciliation proceedings. By an email dated 28.01.2016, Mr Piyoosh Gupta was approached to act as a Conciliator. The said mail was also marked to M/s KNM & Partners who admittedly were representing and acting on behalf of the respondents. Further exchange of the emails also indicate that the lawyers engaged by the parties had coordinated amongst themselves and the Conciliator for holding meetings. The petitioners have also placed on record an email dated 27.05.2016 addressed by Mr Mukesh Kumar of M/s KNM & Partners to Ms Divya Sharma and Mr Piyoosh Gupta seeking confirmation as to whether the documents could be executed on

01.06.2016. The said mail has also been marked to the officers of the respondents. It is not necessary to refer in detail to the various emails exchanged between the lawyers and/or the Conciliator. However, it is evident that lawyers engaged by the parties had engaged themselves in the process of negotiating/finalising the Settlement Agreement and coordinating with Mr Piyoosh Gupta, Conciliator. It is also not in dispute that the Conciliator was not paid fees by the parties for his services.

16. The petitioners have also placed on record, the copies of the resolution passed by the Board of Directors of respondent nos. 1, 2 and 4. The relevant extract of the resolution passed by the Board of Directors of respondent no.1 is reproduced below:- "COPY OF THE RESOLUTION PASSED BY THE

BOARD OF DIRECTORS OF PARSVNATH

DEVELOPERS LIMITED AT ITS MEETING HELD

ON 24TH MAY 2016 AT BOARD ROOM, 6TH

FLOOR, ARUNACHAL BUILDING, 19.,

BARAKHAMBA ROAD, NEW DELHI 110 001.

The Chairman informed the Board that the Company along with Parasnath And Associates Pvt. Ltd., and Mr. Pradeep Jain (collectively referred to as "Promoters") had some disputes and differences with M/s Anuradha SA Investments LLC, Mauritius and M/s Anuradha Ventures Ltd, Cyprus- Investors of Parsvnath Buildwell Pvt. Ltd, one of the subsidiaries and the SPV implementing the residential project Parsvnath Exotica, Ghaziabad and with a view to resolve the same amicably, the parties were engaged in conciliation proceedings before Mr. Piyoosh Gupta, Advocate ("Conciliator"), in terms of Part III of the Arbitration and Conciliation Act, 1996. Pursuant to the conciliation proceedings referred to above, conducted by the Conciliator through various hearings, the Parties have by mutual consent and with the assistance of the Conciliator, arrived at a settlement in relation to the disputes and differences that arose between them. Consequently, the Parties are entering into a Settlement Agreement to record the terms of settlement in the manner provided in the draft Settlement Agreement placed on the table which shall be authenticated by the Conciliator as per the provisions of Section 73 of the Act. Under the Settlement Agreement, the Company along with other Promoters has agreed to pay Rs. 1,044,367,139/- to the Investors as a settlement amount. The Chairman further informed the Board that the Settlement Agreement also provides for purchase of the securities held by the Investors (or any of them) by the Promoters either directly or through their nominee(s) as mentioned in the draft Share Purchase Agreement which shall also be executed. The settlement amount is required to be paid on or before 31 July 2016, failing which payment of the settlement amount will attract interest @16% p.a." xxxxx xxxxx xxxxx

RESOLVED THAT: 1. The Company do execute the Settlement Agreement along

with Parsvnath Buildwell Pvt Ltd., Parasnath And Associates Pvt. Ltd., and Mr. Pradeep Jain to resolve the disputes and differences with M/s. Anuradha SA Investments LLC, Mauritius and M/s. Anuradha Ventures Ltd, Cyprus - Investors of Parsvnath Buildwell Pvt Ltd, one of the subsidiaries and the SPV implementing the residential project Parsvnath Exotica, Ghaziabad as per draft placed on the table which is hereby approved and that Mr. Pradeep Kumar Jain, Chairman and Mr. V Mohan, Sr. VP (Legal) & Company Secretary ("Authorised Persons"), be and are hereby severally authorised to execute the said Settlement Agreement.

2. As contemplated in the Settlement Agreement, the Company do cause the execution of the Share Purchase Agreement for acquisition of the securities held by the Investors (or any of them) either directly by the Promoters or through any of its nominees, as may be decided by the Company in consultation with the other Promoters.

3. The aforesaid Authorised Persons be and are hereby further severally authorized to do all such acts, deeds, matters and things as may be necessary for giving effect to and to discharge the Company's obligations under the Settlement Agreement and the Share Purchase Agreement."

17. The relevant extract of the minutes as well as resolution passed by the Board of Directors of respondent no.2 are reproduced below:- "CERTIFIED TRUE COPY OF THE RESOLUTIONS

PASSED BY THE BOARD OF DIRECTORS OF M/S PARASNATH AND ASSOCIATES PRIVATE

LIMITED ("COMPANY") IN ITS MEETING HELD ON MAY 26, 2016 AT ITS REGISTERED OFFICE

The Chairman informed the Board that the Parsvnath Developers Limited (PDL), Mr. Pradeep Kumar Jain (PJ), and the Company, collectively referred to as "Promoters" of Parsvnath Buildwell Private Limited had some disputes and differences with M/s Anuradha SA Investments LLC, Mauritius and M/s. Anuradha Ventures Ltd, Cyprus - Investors of Parsvnath Buildwell Pvt Ltd, one of the subsidiaries of PDL and the SPV implementing the residential project Parsvnath Exotica, Ghaziabad and with a view to resolve the same amicably, the parties were engaged in conciliation proceedings before Mr. Piyoosh Gupta, Advocate ("Conciliator"), in terms of Part III of the Arbitration and Conciliation Act, 1996. Pursuant to the conciliation proceedings referred to above, conducted by the Conciliator through various hearings, the Parties have by mutual consent and with the assistance of the Conciliator, arrived at a settlement in relation to the disputes and differences that arose between them. Consequently, the Parties are entering into a Settlement Agreement to record the terms of settlement in the manner provided in the draft Settlement Agreement placed on the table which shall be authenticated by the Conciliator as per the provisions of Section 73 of the Act. The Chairman further informed the Board that the Agreement also provides for purchase of the securities held by the Investor by the Promoters

either directly or through their nominees as mentioned in the draft Share Purchase Agreement which shall also be executed. xxxxx xxxxx xxxxx

"RESOLVED THAT: 1. The Company do execute the Settlement Agreement alongwith Parsvnath Developers Ltd., Mr. Pradeep Kumar Jain and Parsvnath Buildwell Pvt Ltd., to resolve the disputes and differences with M/s Anuradha SA Investments LLC, Mauritius and M/s. Anuradha Ventures Ltd, Cyprus - Investors of Parsvnath Buildwell Pvt Ltd, one of the subsidiaries of PDL and the SPV implementing the residential project Parsvnath Exotica, Ghaziabad as per draft placed on the table which is hereby approved and that Mr. Yogesh Jain and Mr. Sanjeev Aggarwal, Directors of the Company ("Authoised Persons"), be and are hereby severally authorised to execute the said Settlement Agreement.

2. As contemplated in the Settlement Agreement, the Company do cause the execution of the Share Purchase Agreement for acquisition of the securities held by the Investors (or any of them) either directly by the Promoters or through any of its nominees, as may be decided by the Company in consultation with the other Promoters.

3. The aforesaid Authorised Persons be and are hereby further severally authorized to do all such acts, deeds, matters and things as may be necessary for giving effect to the Settlement Agreement and the Share Purchase Agreement."

18. The relevant extract of the resolution passed by the Board of Directors of respondent no.4 is as hereunder:- "CERTIFIED TRUE COPY OF THE RESOLUTION

PASSED BY THE BOARD OF DIRECTORS OF THE

COMPANY BY CIRCULATION ON MAY 31,2016

RESOLVED THAT:

1. The Company do execute the Settlement Agreement along with Parsvnath Developers Ltd., Parasnath And Associates Pvt Ltd., and Mr. Pradeep Jain to resolve the disputes and differences with M/s. Anuradha SA Investments LLC, Mauritius and M/s. Anuradha Ventures Ltd, Cyprus- Investors of the Company, one of the subsidiaries of PDL and the SPV implementing the residential project Parsvnath Exotica, Ghaziabad as per draft attached which is hereby approved and that Mr. Vivek Garg and Mr. Ashish Jain, Directors ("Authorised Persons"), be and are hereby severally authorised to execute the said Settlement Agreement.

2. As contemplated in the Settlement Agreement, the Company do cause the execution of the Share Purchase Agreement for acquisition of the securities held by the Investors (or any of them) either by the Promoters directly or through any of their nominees, as may be decided by the Company in consultation with the other Promoters.

3. The aforesaid Authorised Persons be and are hereby further severally authorized to do all such acts, deeds, matters and things as may be necessary

for giving effect to the Settlement Agreement and the Share Purchase Agreement."

19. A plain reading of the aforesaid resolutions also indicate that the Board of Directors of the respondent companies, were also informed that the parties had undertaken conciliation proceedings before Mr Piyoosh Gupta (Conciliator) in terms of Part III of the Act.

20. In view of the above, it is not open for the respondents to now contend that the Settlement Agreement was not arrived at pursuant to conciliation proceedings under Part III of the Act. The contention that although respondents had entered into the Settlement Agreement but the same was not under Section 73 of the Act is contrary to the express language of the Settlement Agreement as well as minutes/resolution passed by respondent nos.1 and 2 as well as respondent no.4. The pleas raised by the respondents are contrary to their own records and do no credit to the respondents to have raised them. This Court is unable to accept the contention that the Settlement Agreement is not an agreement under Section 73 of the Act and rejects the same.

21. The contention that the respondents have not received the Settlement Agreement is also difficult to accept. The petitioners have also placed a copy of the letter dated 28.06.2016 sent by Mr Piyoosh Gupta to Mr Mukesh Kumar of M/s KNM & Partners, enclosing two sets of the "original signed Settlement Agreement". The said mail reads as under:- "Sub: Settlement Agreement dated June 3, 2016 between Anuradha SA Investments LLC, Anuradha Ventures Limited, Parsvnath Developers Limited, Parasnath and Associates Private Limited, Mr. Pradeep Jain and Parsvnath Buildwell Private Limited Dear Mr. Kumar, With reference to the aforementioned subject we enclose herewith 2 sets of the original signed Settlement Agreement dated June 3, 2016.

The matter was before the undersigned for conciliation wherein the parties have reached a settlement agreement and have signed the same. The said agreements are hereby authenticated by the undersigned. The undersigned has placed a legend on page 1 of each of the Settlement Agreements and his initials on each page thereof for the purpose of identification."

22. It is not in dispute that duly authenticated Settlement Agreement in original was served by the Conciliator on the lawyers engaged by the respondents. It is also apparent that the lawyers were not engaged for representing the respondents in conciliation proceedings but had participated actively in negotiations as well as finalising the Settlement Agreement. During the course of arguments, Mr Kapur was pointedly asked whether there were any allegations that the lawyers engaged by the respondents had acted beyond their authority and he had responded in the negative. Thus, it cannot be disputed that the lawyers engaged by the respondents were duly authorized to accept the original of the Settlement Agreement. It is also important to mention that there is no averment that the lawyers did not forward the Settlement Agreement to the

respondents.

23. Regretfully, this Court was also not informed when the matter was taken up on 24.01.2017, that the lawyers engaged by the respondents had received the authenticated copy of the Settlement Agreement; this would have been a fair and honest disclosure. On the contrary, the impression given to the Court was that the respondents had not received the Settlement Agreement at all. It is also relevant to mention that the same firm of advocates is also representing the respondents in these proceedings. It is now apparent that respondents had received the Settlement Agreement. They had also acted in terms of the Settlement Agreement, however, the respondents have sought to raise a technical plea of non-service of the Settlement Agreement on them. Although, this Court is of the view that the said plea is less than honest as there is no allegation that the lawyers engaged by the respondents had not forwarded the Settlement Agreement to the respondents and considering that the same firm is also representing the respondents in this case.

24. There is merit in Mr Kapur's contention that the Settlement Agreement is required to be served directly on the parties in accordance with Section 31(5) of the Act and service on counsel is not sufficient compliance of the provisions of Section 31(5) of the Act.

25. In Benarsi Krishna Committee and Others (supra), the Supreme Court had unambiguously held that "Any reference, therefore, made in Section 31(5) and Section 34(2) of the 1996 Act can only mean the party himself and not his or her agent, or advocate empowered to act on the basis of a vakalatnama. In such circumstances, proper compliance with Section 31(5) would mean delivery of a signed copy of the arbitral award on the party himself and not on his advocate, which gives the party concerned the right to proceed under Section 34(3) of the aforesaid Act".

26. There is also much merit in Mr Kapur's contention that the Conciliator is required to authenticate the Settlement Agreement and furnish a copy thereof to each of the parties. The expression "each of the parties" as used in Section 73(4) of the Act cannot be interpreted in any manner different from the expression "each party" as used in Section 31(5) of the Act.

27. Having stated above, it is an admitted case that the respondents have since received the authenticated copy of the Settlement Agreement from the Conciliator on 09.03.2017. Thus, the contention that the present petition is premature and not maintainable as the time to challenge the Settlement Agreement under Section 34(3) of the Act has not expired, is unmerited.

28. It is relevant to note that the Conciliator was approached only in January 2016 and the Settlement Agreement was entered into on 03.06.2016. Thus, Section 36 of the Act as amended by virtue of the Arbitration and Conciliation (Amendment) Act, 2015 is applicable and in terms of the amended provisions, the arbitral award is enforceable notwithstanding that an application under

Section 34 has been filed. In the present case, the respondents have not preferred any petition for setting aside the Settlement Agreement. It is also not in dispute that in terms of the provisions of the Act, a Settlement Agreement under Section 73 of the Act would be enforceable as an arbitral award under Section 36 of the Act. Thus, this Court finds no merit in the contention that the present petition is not maintainable notwithstanding that the respondents may be within the period of limitation to challenge the Settlement Agreement under Section 34 of the Act, assuming such a challenge is otherwise maintainable.

29. The contention that the Settlement Agreement is insufficiently stamped is unpersuasive. It is well settled that the stamp duty is payable on an instrument. In the present case, the instrument is an agreement and not an arbitration award. In terms of Section 74 of the Act, a settlement agreement would have the status and effect "as if it is an arbitral award"; thus by legal fiction, a settlement agreement arrived at during the conciliation proceedings and authenticated by the conciliator has been provided the same status and effect as an arbitral award. In other words, the settlement agreement can be enforced as an arbitral award and it is not necessary for a party to institute fresh proceedings for obtaining a decree in terms thereof. However, it does not mean that the settlement agreement ceases to be an agreement voluntarily entered into between the parties and becomes an arbitral award; it merely has the status and effect of an award under the Act. The settlement agreement continues to be an agreement and would require to be stamped as such. This Court is, respectfully, unable to concur with the view of the Karnataka High Court in *Smt. N.S. Geetha v. Sri B. Raghuveer* (supra) that the legal fiction created by Section 74 of the Act, which treats the settlement agreement as if it is an award, would also require the instrument to be stamped as an award and not as a settlement agreement.

30. It is well settled that a legal fiction cannot be extended beyond the purpose for which it is created. Section 74 of the Act creates a legal fiction to elevate the status and effect of a settlement agreement under Section 73 to an award. The purpose is clearly to enable enforcement of such agreements as an arbitral award without further adjudicatory process. The legal fiction cannot be extended to other statutes. In *Bengal Immunity Company Limited v. State of Bihar* and *Ors*: (1955) 2 SCR 603, a Constitution Bench of the Supreme Court held that "Legal fictions are created only for some definite purpose.....a legal fiction is to be limited to the purpose for which it was created and should not be extended beyond that legitimate field" (Also see: *K. Prabhakaran v. P. Jayarajan*: (2005) 1 SCC 754).

31. Lastly, it has been contended that the Settlement Agreement violates FEMA. The respondents now state that the Investment Agreement violated FEMA as it provided for assured returns. Insofar as the Settlement Agreement is concerned, it is stated that the valuation of securities is incorrect. The question whether the Investment Agreement violated FEMA is not relevant. Further it is also doubtful whether such contentions are now open to the respondents as they had

expressly represented that all laws were complied with and the petitioners had made the investments on the said basis. The contention that the valuation of securities is incorrect is also not open to the respondents as the valuation report submitted by a chartered accountant was annexed to the Settlement Agreement and has also been signed by the respondents. More importantly, the question as to regulatory compliance in FEMA would be considered at a later stage. The present petition cannot be rejected at the threshold as not maintainable on the aforesaid plea.

32. In the circumstances, the respondents are directed to file an affidavit disclosing all the movable and immovable assets including details of the bank accounts within a period of two weeks from today. The respondents are also restrained from alienating any of their immovable assets till the next date of hearing.

33. List on 12.05.2017.

34. Order dasti under signatures of Court Master.