



**IN THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH - I**

IA (I.B.C)/5092/2025 IN CP (IB) 903/2019

Under Section 60(5) of Insolvency & Bankruptcy Code, 2016, read with Rule 11 of the NCLT Rules for issuing necessary directions to the respondents

In the matter of

Suman Kumar Verma

Resolution Professional

...Applicant

Versus

Countertops and Cabinets (India) Private Limited & Ors

...Respondent

AND

In the matter of

CP (IB) NO. 903/MB/2019

Stressed Assets Stabilization Fund

.. Petitioner/ Financial Creditor

V/s

M/s Krystal Stone Exports Limited

...Respondent/ Corporate Debtor

Order pronounced on 03.06.2026

Coram:

Prabhat Kumar

Member (Technical)

Sushil Mahadeorao Kochey

Member (Judicial)



Appearances:

For the Applicant : Adv. Mitali Bhatt
For the Respondent : Adv. Kunal Kanungo a/w
Adv. Atishay Jain and Adv.
Rohit Nanepag

ORDER

1. The present Interlocutory Application has been filed 02.07.2025 under Section 60(5) of the Insolvency and Bankruptcy Code, 2016 (hereinafter referred to as “the Code”) by the Applicant, Mr. **Suman Kumar Verma**, the Resolution Professional of **M/s Krystal Stone Exports Limited** (“Corporate Debtor”) in **Company Petition (IB) No. 903 of 2019**. By way of the present Application, the Applicant seeks following reliefs:

This Hon'ble Tribunal may graciously be pleased to:

- a) *Order the Respondent no- 1 to 3 to give peaceful possession of the Land & Building of the CD situated at SP-2, RIICO Industrial Area, Shivdaspora, Jaipur, Rajasthan to the applicant RP immediately as the period of rent agreement has finally expired on 20.04.2025 and to pay the rent till the possession is given to the applicant.*
 - b) *Pass any order(s) which the Hon'ble Tribunal may deem fit and proper in the interest of justice and equity.*
2. Respondent No. 1 (R1) is a tenant in respect of the premises belonging to the Corporate Debtor. Respondent Nos. 2 and 3 are



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- the Directors of Respondent No. 1. Respondent No. 4 is the Suspended Director of the Corporate Debtor, and Respondent No. 5 is Omkara Asset Reconstruction Private Limited, the sole member of the Committee of Creditors, to whom the debt has been assigned by SASF.
3. An application under Section 7 of the Insolvency and Bankruptcy Code, 2016 was filed by the Financial Creditor, namely Stressed Assets Stabilization Fund (SASF), being the assignee of the debt originally lent by IDBI Bank, vide Assignment Deed dated 30.09.2004. CIRP commenced on 24.09.2019 in terms of order passed by this Tribunal appointing Shri Vijay P. Lulla as the Interim Resolution Professional. However, despite best efforts, the Interim Resolution Professional could not take possession of the assets or obtain the requisite documents, and therefore no substantial progress could be made in the CIRP except issuance of the public announcement.
 4. In the meantime, Mr. Sandeep Kr. Bhatt was appointed as the Resolution Professional vide Order dated 17.02.2023. Thereafter, I.A. No. 522/2020 filed by the Suspended Directors seeking recall of the CIRP admission order came to be dismissed on 21.06.2023. The Suspended Director also filed I.A. No. 2886/2023 stating that an appeal had been preferred against the Order dated 21.06.2023 passed by this Tribunal and sought stay of further proceedings; however, no stay was granted.
 5. This Tribunal, vide Order dated 07.09.2023, directed liquidation of the Corporate Debtor appointing Mr. Sandeep Kr. Bhatt as the Liquidator. The police authorities were also directed to provide assistance for taking possession of the assets of the Corporate Debtor.
 6. In the meantime, vide Order dated 26.09.2023, the Hon'ble



NCLAT remanded the matter back to this Tribunal for fresh hearing, accordingly all the steps taken in earlier CIRP process and Liquidation process came to naught.

7. Thereafter, this Tribunal passed a fresh CIRP admission Order dated 03.05.2024 appointing the Applicant as the Interim Resolution Professional, who was subsequently confirmed as the Resolution Professional vide Order dated 19.09.2024.
8. Subsequently, the said debt was further assigned by SASF to Respondent No. 5, namely Omkara Asset Reconstruction Private Limited, vide Assignment Deed dated 31.08.2024. IDBI Bank had originally sanctioned financial assistance amounting to Rs. 7.19 Crores in the year 2002.

SUBMISSION OF THE APPLICANT/RP:

9. The Applicant learnt during the course of taking over the possession/control of the assets owned by the corporate debtor that Respondent No. 1 was occupying the premises as a tenant since 2014 with several workers present at the site. It is submitted that Respondent No. 1 shared a copy of a Rent Agreement dated 09.01.2024, duly registered with sub registrar Jaipur-V on 06.07.2024, revealing that the tenancy was created for the period from 01.12.2023 to 30.11.2028 by Respondent No. 4 prior to initiation of CIRP for a monthly rent of Rs. 14,028/-, which is substantially below the prevailing market rate, and Respondent No. 2 is stated to be a related party of the Suspended Director.
10. The Applicant informed to the Respondent No. 1 that the alleged tenancy arrangement, if any, stood cancelled pursuant to the approval granted in the 2nd CoC meeting held on 18.06.2024 under Sections 20 and 28 of the Insolvency and Bankruptcy Code, 2016.
11. This tribunal vide order dated 08.07.2024 in IA/3471/2024, issued directions to the Commissioner, Dy Commissioner and SHO



Shivdasapura, Jaipur to provide all the necessary co-operation and assistance to ensure possession of the factory land and Building. After deep follow-up, on 28.07.2024, the Police authority provided the assistance to the applicant and the applicant could get the possession of factory premises.

12. It is submitted that the Applicant filed I.A. No. 3543/2024 under Section 19(2) of the Insolvency and Bankruptcy Code, 2016 alleging non-cooperation by the Suspended Director, wherein final orders came to be passed on 23.10.2024, pursuant to which the requisite information and documents were furnished and the CIRP proceeded further.
13. It is submitted that in the 5th CoC Meeting held on 24.10.2024, the Committee of Creditors resolved to permit Respondent No. 1 to continue occupation of the premises on a monthly rent of Rs. 1.20 Lakhs plus GST and authorised the Resolution Professional to execute a fresh Rent Agreement. It was further resolved that Respondent No.1 shall pay occupation charges at the same rate for the period from May 2024 to July 2024, which amount was duly paid. Pursuant thereto, the Applicant executed a registered Rent Agreement dated 20.11.2024 for the period from 03.11.2024 to 28.01.2025, which was registered before the Sub-Registrar, Jaipur-V, Rajasthan vide book no 1, Zild no 1534, Page no 189 at Sr No 202403019115697 on 25.11.2024.
14. It is submitted that, as per Clause 10 of the Rent Agreement, Respondent No. 1 was obligated to vacate and hand over possession of the premises within 10 days from the date of service of notice by the Applicant.
15. It is submitted that Respondent No. 1 represented before the Applicant and the Committee of Creditors that it had been occupying the factory premises since 2014, had made substantial



investments in plant, machinery, and infrastructure, and was willing to pay the revised rent as determined by the CoC. Respondent No. 1 also expressed its intention to participate in the resolution process by submitting a Resolution Plan. Thereafter, upon taking physical possession, identification and segregation of the assets belonging to the Corporate Debtor and Respondent No. 1 were carried out on 18.10.2024 in the presence of the SASF team, and the same was placed before the 5th CoC Meeting held on 24.10.2024. Following proper identification and verification of the assets, a revaluation exercise was conducted.

16. It is submitted that in the 8th CoC Meeting held on 21.01.2025, it was resolved to extend the Rent Agreement for a further period of 60 days ending on 29.03.2025. Pursuant thereto, the Applicant issued an email dated 01.02.2025 to Respondent No. 1 regarding extension of the Rent Agreement.
17. It is submitted that in the 11th CoC Meeting held on 25.03.2025, it was resolved not to further renew the Rent Agreement of Respondent No. 1. However, considering that Respondent No. 1 had submitted a Resolution Plan and represented that substantial investments had been made in the premises and machinery, the Applicant granted limited extensions for vacating the premises upon assurances of continued payment of rent and participation in the resolution process. The Applicant thereafter issued final communications calling upon Respondent No. 1 to vacate the factory premises in the event the Resolution Plan was not approved by the Committee of Creditors.
18. It is submitted that when the Applicant visited the premises on 01.06.2025 for taking possession, Respondent No. 1 requested additional time on the ground that its Resolution Plan was under consideration by the CoC. Accordingly, the Applicant, vide email



dated 04.06.2025, called upon Respondent No. 1 to hand over peaceful possession, else appropriate legal action would be initiated.

19. In the CoC voting concluded on 12.06.2025, the Resolution Plans submitted by Respondent No. 1 and Respondent No. 4 were put to vote and subsequently disapproved by the Committee of Creditors, as communicated to them by the Applicant on 25.06.2025. It is further submitted that Respondent No. 1 has paid rent up to 30.06.2025 and expressed willingness to continue payment thereof.
20. It is submitted that, upon being called upon to hand over possession vide email dated 28.06.2025, Respondent No. 1 disclosed that it had obtained an interim stay order dated 17.06.2025 passed by the Court of the Divisional Civil Judge (Chief Judicial Magistrate-I), Jaipur, without prior service of notice upon the Applicant. It is further submitted that though the Applicant became aware during the 16th CoC Meeting that proceedings had been initiated by Respondent No.1, formal service of notice was effected only on 24.06.2025.
21. It is submitted that Section 238 of the Insolvency and Bankruptcy Code, 2016 has an overriding effect over all other laws to the extent of inconsistency therewith. It is further submitted that failure on the part of Respondent Nos. 1 to 3 to vacate the premises may adversely affect and frustrate the CIRP and implementation of the approved Resolution Plan. Hence, the present Application has been filed seeking necessary directions. It is also submitted that the Applicant, being the Resolution Professional, is duly empowered to enforce the terms and conditions of the agreements executed during the CIRP, including recovery of possession of the premises.



SUBMISSION OF RESPONDENT NO. 1:

22. Respondent No. 1 has filed its detailed Reply dated 28.11.2025 opposing the present Application and raising objections with regard to maintainability, tenancy rights, jurisdiction of the Rent Tribunal under the Rajasthan Rent Control Act, 2001, and the alleged attempt of forcible dispossession by the Applicant. It is submitted by the Respondent No. 1 in its reply that:

- a. The Respondent No. 1 claims to have been occupying the subject premises as a tenant since the year 2014. It is further submitted that a Rent Agreement was executed by Respondent No. 4 in favour of Respondent No. 1 on 09.01.2024 for the tenancy period commencing from 01.12.2023 till 30.11.2028. Subsequently, pursuant to the approval granted by the Committee of Creditors in its 5th CoC Meeting held on 24.10.2024, the Applicant/Resolution Professional executed a fresh Rent Agreement with Respondent No. 1 for the period from 03.11.2024 to 28.01.2025, which was thereafter extended for a further period of 60 days ending on 29.03.2025.
- b. The Respondent No. 1 has been a lawful tenant in possession of the premises since the year 2014 and has continuously operated its manufacturing activities therefrom by making substantial investments in plant, machinery and infrastructure. It is further submitted that Respondent No. 1 has regularly paid rent without default and continued to remain in possession as a tenant holding over the premises under Section 116 of the Transfer of Property Act, 1882.
- c. The Respondent No. 1 had also submitted a Resolution Plan before the Committee of Creditors and was encouraged to



continue occupation of the premises during the CIRP. According to Respondent No. 1, despite acceptance of rent by the Applicant even after expiry of the Rent Agreement, coercive notices seeking forcible possession were issued, compelling Respondent No. 1 to approach the competent Rent Tribunal at Jaipur seeking protection against dispossession.

- d. The Respondent No. 1 had approached the Rent Tribunal, Jaipur and obtained interim protection against dispossession vide order dated 17.06.2025 passed by the Hon'ble Additional Senior Civil Judge and Additional Chief Judicial Magistrate No.1, Jaipur Metropolitan-1, and therefore the Applicant cannot seek forcible eviction dehors the procedure contemplated under the Rajasthan Rent Control Act, 2001. Respondent No. 1 has specifically relied upon Sections 18 and 29 of the Rajasthan Rent Control Act, 2001 to contend that disputes relating to landlord and tenant fall within the exclusive jurisdiction of the Rent Tribunal and that the said enactment has overriding effect.
- e. The Respondent No. 1 is protected under the provisions of the **Rajasthan Rent Control Act, 2001** and cannot be evicted except by following due process of law before the competent Rent Tribunal. Reliance has been placed upon the judgment of the Hon'ble Supreme Court in **Vishal N. Kalsaria v. Bank of India** to contend that tenancy rights cannot be defeated without recourse to lawful eviction proceedings.
- f. The Respondent No. 1 is operating a manufacturing unit from the subject premises since 2014, employing several workers, and possesses registrations with various statutory



authorities including ROC, ESI and other departments. Respondent No. 1 therefore contends that the present Application seeking forcible eviction is not maintainable and amounts to misuse of the insolvency proceedings.

- g. The Respondent No. 1 has also contended that the subsequent Rent Agreement was executed under pressure and coercion allegedly exercised by the Applicant and that repeated threats of forcible possession compelled Respondent No. 1 to seek protection from the competent court. It is submitted that physical possession of the premises has continuously remained with Respondent No. 1 and such possession cannot be disturbed except through due process of law.
- h. The Applicant had continued to treat Respondent No. 1 as a tenant even after expiry of the Rent Agreement by repeatedly demanding and accepting rent for subsequent periods, which according to Respondent No. 1 amounts to acknowledgment and continuation of tenancy rights. It is contended that acceptance of rent post-expiry constitutes tenancy holding over within the meaning of Section 116 of the Transfer of Property Act, 1882.

SUBMISSION OF RESPONDENT NO. 4:

- 23. Respondent No. 4 has filed his Reply dated 30.12.2025, opposing the present Application inter alia contending that this Adjudicating Authority lacks jurisdiction to adjudicate disputes relating to tenancy and possession, which according to Respondent No. 4 fall exclusively within the domain of the Rent Tribunal under the Rajasthan Rent Control Act, 2001. Respondent No. 4 has further contended that Respondent No. 1 has been a tenant since 2014 and



that the registered Rent Agreement dated 09.01.2024 was executed prior to initiation of CIRP. It is also submitted that proceedings concerning the same subject matter are already pending before the competent Rent Tribunal at Jaipur and therefore the present Application is liable to be dismissed.

FINDINGS AND ANALYSIS:

24. Heard the Learned Counsel appearing for the Applicant and the Respondents. Perused the pleadings, documents placed on record, and other material available before this Tribunal.
25. It is observed from the record that the Corporate Debtor was admitted to the corporate insolvency proceedings on 24.9.2019, which stood terminated on 26.9.2023 after the earlier admission order was set aside on natural justice remanding back the matter to this Tribunal for fresh consideration. Thereafter, the corporate debtor was again admitted to the corporate insolvency proceedings on 3.5.2024. It follows therefrom that there was a moratorium in force from 24.9.2019 to 26.9.2023, and said moratorium came to be vacated on technical grounds while the admission order dated 24.9.2019 came to be set aside for fresh adjudication, and the moratorium came into force again from 3.5.2024. It is in between this period i.e. period when the remanded proceedings were into consideration before this tribunal, a lease agreement for the period from 01.12.2023 till 30.11.2028 came to be registered on 10.01.2024 granting lease of the subject property to Respondent No. 1. Ordinarily, this transaction could not be questioned, but the timing of execution of such registered lease deed raises serious doubt on the real nature of such lease transaction, when the default in payment of debt was persisting since 2013 (prior to filing of application u/s 7 of IBC), the corporate debtor was undergoing



proceedings under Sick Industrial Companies (Special Provisions) Act, 1985.

26. It is also relevant to note the conduct of the suspended board as Respondent No. 2, the director of Respondent No. 1, is son of Respondent no. 4, the director of the Corporate Debtor. Since the year 2019 and repeated attempts were made by the erstwhile IRPs/RPs as well as the present Resolution Professional to obtain control and possession of the assets of the Corporate Debtor. The material placed on record further reveals that the Suspended Director, namely Respondent No. 4, remained non-cooperative for a substantial period and failed to hand over records and possession of the assets of the Corporate Debtor.
27. It is observed that although Respondent No. 1 claims tenancy rights since the year 2014, the Rent Agreement registered before the office of the Sub-Registrar, Jaipur-V on 10.01.2024 and admittedly executed between Respondent No. 1 through Respondent No. 4, being the Suspended Director of the Corporate Debtor, and Respondent No. 1 on 09.01.2024 for the tenancy period commencing from 01.12.2023 till 30.11.2028, avers contrary to this assertion. The Rent Agreement dated 24.1.2024 reads as under:

“Secondly Party being in need of an Industrial space has requested The First Party to rent a part of its Plot No. SP-2A, admeasuring 14028Sq. Mtr. Which is inclusive of an office building it is now hereby agreed between the parties on terms and conditions as follows.

- 1. The First Party has agreed to rent a part of said plot being unused for time being, and has handed over the possession of the said plot to the Second Party on 1st December 2023, on the following terms and condition:*



- a) *The Rent fixed @ Rs. 14028 (Fourteen Thousand Twenty-Eight only) per month, The Rent agreement is for a period of 5 (Five) years from 1st December, 2023 to 30th November, 2028 with an option to extend further for a period of 5 years. The Second Party shall however, have the liberty to vacate the premises at any time during the period of rent agreement by giving 2 months' notice.*
- b) *The Second Party shall apply and get the electric connection by itself from JVVNL on the said plot, in its name and the First party shall provide NOC in favor of JVVNL and offer assistance for the same,*
- c) *Area of Property is earmarked for Rent as under*
 - i) *Open Land 14028 Sq. Mtr.*
 - ii) *RCC office 400 Sq. Ft.*
 - Shed metal 2000 Sq. Mtr.*
- d) *The Second Party can rectify / renovate the existing building (as stated above,) to its convenience and also can construct / fabricate new shed on the said rented property as per its requirement for setting up manufacturing unit of furniture.*
- e) *The Second party is allowed install new / old machines in the said rented premises to its convenience for setting up a manufacturing unit of furniture.*
- f) *The second party can get itself registered to conduct its business with, ESI/PF, Sales Tax, Customs, DGFT, etc.*
- g) *The second party shall be allowed to conduct all type of manufacturing and commercial activities as per its memorandum and article and can apply for all required licenses/ registration from govt and other authorities in its name.*



h) The Second party will be allowed to take back its (movable and Installed to floor) Plant and Machinery and all goods/ raw material purchased with them upon expiry / completion of its tenure as stated above.

i) The Second Party Shall handover peaceful possession of the said premises to the first party on the expiry of rent agreement period subject to natural wear and tear due to ordinary use and lapse of time.”

28. It is also relevant to note that the financial creditor had issued notice u/s 13(2) of the SARFAESI Act on 13.02.2007, and a recovery certificate was issued by DRT on 16.8.2012. It is relevant to note here that section 13(13) of SARFAESI Act provides that “*No borrower shall, after receipt of notice referred to in sub-section (2), transfer by way of sale, lease or otherwise (other than in the ordinary course of his business) any of his secured assets referred to in the notice, without prior written consent of the secured creditor*”. It is undisputed fact that section 13(2) notice was issued to the corporate debtor and the property, in question, was a security interest held by the lender of the corporate debtor. It can not be denied that the leasing of property by the corporate debtor is not in its ordinary course of business, more so when the corporate debtor was in default and the secured lender has already proceeded to avail its rights under SARFAESI Act well before exertion of purported agreement. Accordingly, any irrevocable interest, even if for limited period, could not have been created by the corporate debtor or its directors in the said property without written consent of secured creditor, which is undisputedly not obtained in the present case prior to execution of agreement dated 1.4.2014, even if it is admitted that said agreement is bona-fide. Accordingly, the said agreement dated 1.4.2014, even if it was



bona-fide, could not have created any right in favour of lessee of property subjected to the security interest in the absence of written consent of secured creditor.

29. It is also relevant to note the decision in case of **Bajarang Shyamsunder Agarwal Vs. Central Bank of India and another (2019) 9 Supreme Court Cases 94**, the relevant part of which is extracted below :

20. Before concluding, the Court in Harshad Govardhan case [Harshad Govardhan Sondagar v. International Assets Reconstruction Co. Ltd., (2014) 6 SCC 1:(2014) 3 SCC (Civ) 1], distinguished the implications of a registered and an unregistered instrument/oral agreement, in the following manner: (SCC p. 34, para 36)

“36. We may now consider the contention of the respondents that some of the appellants have not produced any document to prove that they are bona fide lessees of the secured assets. We find that in the cases before us, the appellants have relied on the written instruments or rent receipts issued by the landlord to the tenant. Section 107 of the Transfer of Property Act provides that a lease of immovable property from year to year, or for any term exceeding one year or reserving a yearly rent, can be made "only by a registered instrument" and all other leases of immovable property may be made either by a registered instrument or by oral agreement accompanied by delivery of possession. hence, if any of the appellants claim that they are entitled to possession of a secured asset for any term exceeding one year. from the date of the lease made in his favour, he has to produce proof of execution of a registered instrument in his favour by the lessor. Where he does not



produce proof if execution of a registered instrument in his favour and instead relies on an unregistered instrument or oral agreement accompanied by delivery of possession, The Chief Metropolitan Magistrate or the District Magistrate, as the case may be, will have to come to the conclusion that he is not entitled to the possession of the secured asset for more than a year from the date of the instrument or from the date of delivery of possession in his favour by the landlord."
(emphasis supplied)

30. The Hon'ble Court in case of Bajarang Shyamsunder Agarwal (Supra) also dealt with the interplay, if any, amongst the provisions of SARFAESI Act, TP Act and Rent Act, and said as follows :

24. In our view, the objective of the SARFAESI Act, coupled with the TP Act and the Rent Act are required to be reconciled herein in the following manner:

24.1. If a valid tenancy under law is in existence even prior to the creation of the mortgage, the tenant's possession cannot be disturbed by the secured creditor by taking possession of the property. The lease has to be determined in accordance with Section 111 of the TP Act for determination of leases. As the existence of a prior existing lease inevitably affects the risk undertaken by the bank while providing the loan, it is expected of banks/creditors to have conducted a standard due diligence in this regard. Where the bank has proceeded to accept such a property as mortgage, it will be presumed that it has consented to the risk that comes as a consequence of the existing tenancy. In such a situation, the rights of a rightful tenant cannot be compromised under the SARFAESI Act proceedings.



24.2. If a tenancy under law comes into existence after the creation of a mortgage, but prior to the issuance of notice under Section 13(2) of the SARFAESI Act, it has to satisfy the conditions of Section 65-A of the TP Act.

24.3. In any case, if any of the tenants claim that he is entitled to possession of a secured asset for a term of more than a year, it has to be supported by the execution of a registered instrument. In the absence of a registered instrument, if the tenant relies on an unregistered instrument or an oral agreement accompanied by delivery of possession, the tenant is not entitled to possession of the secured asset for more than the period prescribed under g Section 107 of the TP Act.

31. In view of the aforesaid decision, the unregistered agreement dated 01.04.2014 could not have conveyed any right in the respondent no. 1 beyond the period of one year as the rented property was mortgaged to the lenders
32. It is noted that the agreement dated 24.1.2024 is referred as extension agreement, however, the recitals of said agreement reads that “*Secondly Party being is need of an Industrial space has requested The First Party to rent a part of its Plot No. SP-2A, admeasuring 14028Sq. Mtr.*”, which is contrary to the assertion in relation to this agreement being extension of agreement dated 1.4.2014. It is further noted that the agreement dated is in relation to Plot No. SP-2 admeasuring 14028 sq. mtr., while the agreement dated 24.1.2024 is in relation to Plot No. SP-2A admeasuring 9000 sq. mtrs. Also, the agreement dated 1.4.2014 was entered for a period of 10 years, which expired on 31.3.2024, and the agreement dated 24.1.2024 was entered into for a period of 5 years from 1.12.2023. It is also noted that the agreement dated 1.4.2014 is an



unregistered & unnotarized agreement executed on stamp paper of Rs. 100/- and there is no witness recorded on the said agreement to the execution of the agreement. Further, the clause(s) of the said agreement unequivocally demonstrate that the property in question was handed over in furtherance of the said agreement only and the Respondent No. 1, and clause 2 of agreement dated 24.1.2024 avers that “*The Second Party shall apply and get the electric connection by itself from JVVNL on the said plot, in its name and the First party shall provide NOC in favor of JVVNL and offer assistance for the same*”. It is also noted that the registered agreement was executed on 24.1.2024 while the first admission order dated 24.9.2019 came to be set aside for fresh adjudication on 26.9.2023 thus vacating the moratorium u/s 14 of IBC, which came into force again from 3.5.2024. These facts do not support the assertion of the Respondent No. 1 that it was in continued possession of the property as protected tenant since 1.4.2014, and the agreement dated 1.4.2014 placed on record is an afterthought and ante-dated.

33. Respondent No. 1 has pleaded itself to be a protected tenant and approached the Rent Tribunal, Jaipur, wherein an interim injunction against eviction has been granted vide Order dated 17.06.2025 passed by the Presiding Officer, Rental Tribunal No. 1, Jaipur, namely the Hon’ble Additional Senior Civil Judge and Additional Chief Judicial Magistrate No. 1, Jaipur Metropolitan-I. The said order has been passed during the moratorium, being in force, and is founded on the observation, as recorded in the said order that “

..... IRP Shri Suman Kumar Verma threatened the petitioner to vacate the rented premises by calling the police and said that the petitioner will keep running to the



courts and told him that if he wants to be escaped, he should execute a new lease agreement with the petitioner as the IRP of the respondent company. And the rent will be Rs. 1,20,000/- per month and it will be only of 3 months in the beginning and later it will remain applicable till the year 2028. On which the applicant got convinced by the words of Suman Kumar Verma ji and got a new lease agreement of 03 months executed on 20.11.2024 which was valid from 03.11.2024 to 28.01.2025. The respondent has been collecting rent continuously the rent till May 2025 has been paid regularly by the applicant the respondents, in collusion with each other, got the applicant to execute a lease agreement of 03 months from respondent no. 01, which is still in existence, but despite that the respondents want to take illegal possession of the rented premises. The petitioner has been occupying and using the disputed premises as a tenant by paying regular rent, but the respondent is determined to forcibly evict the petitioner from the disputed premises, hence begs requested to issue interim injunction.

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In the context of the arguments presented, it appears prima facie from the perusal of the file that the petitioner has taken the disputed rented premises on rent for business through lease deed in which he is occupying and using as a tenant, in respect of which a copy of lease deed etc. is available on the file, which the respondent does not deny. Therefore, keeping in view the facts and circumstances of the case at hand, since the relationship of tenant and landlord has been prima facie established between the petitioner and the



respondents, an interim injunction is issued to the effect that, till the reply is received, the respondents should not evict the petitioner from the disputed tenanted premises without following legal procedure, nor create any obstruction in the use and enjoyment of the same. The file should be presented on 29.07.2025 for filing of reply application/further action.”

34. It is noted that the Agreement dated 20.11.2024, valid from 03.11.2024 to 28.01.2025, was not challenged by the Respondent No. 1 on ground of absence of free consent before any forum immediately after its execution, and the said agreement was executed after the Respondent No. 1 had vacated the rented premises, which was also not challenged as illegal, even though it claims to have an order dated 18.09.2023, passed by the Hon’ble Additional Civil Judge, Chaksu, Jaipur during the moratorium period, restraining the CD from interfering with the Tenant’s use and enjoyment of the premises. In our considered view, the contention of Respondent No. 1 in relation to forced vacation of the premises and execution of registered agreement dated 20.11.2024, alleged to be *one sided and not a product of free negotiation , having been entered into under compulsion and inducement* does not have substance, when the Respondent No. 1 had acted upon said agreement and remained in occupation of the premises after vacation in terms of said agreement dated 20.11.2024 only.
35. It is relevant to note the background which led to execution of agreement dated 20.11.2024 after vacation of the premises. In the 5th Meeting of the Committee of Creditors of corporate debtor held on Thursday, 24.10.2024, certain resolutions were passed with regard to continuation of tenancy and execution of a fresh Rent



Agreement in favour of Respondent No. 1. The relevant extract from the said Minutes of the 5th CoC Meeting reads as under:

“Final submission of the Erstwhile tenant on submission of the RP

Against above submission of the RP, Mr Kamlesh Sharma urged that he was misconceived and could not understand that how he is concerned with the disputes of the CD and the Bank. He was in a fix and felt that great tragedy has happened with him. He is having no knowledge of law and he did the same whatsoever was advised by the advocates. He said again and again that he will be on road if dispatches are not allowed after processing. He said that his rent agreement be renewed and he is ready to pay the rent as per market rate.

The RP said that the Resolution plans are on way. The resolution applicant will not allow any tenancy as he will acquire the CD along with all assets, hence the rent agreement cannot be executed.

Version of the CoC on erstwhile tenant

The CoC after hearing all the submissions said that they never wish any losses to anybody. If the tenant would had co-operated the team RP since beginning then may be the rent would had been continued with revised rental as per market rate and such situation should not have arisen but since the tenant and the suspended directors are cooperating in the process, hence their joint requests is considered subject to following terms and conditions: -

a) That the RP after seeing the legal position allow the tenant to take back his material after processing and the tenant shall submit records of the finished goods dispatches at security and at the RP. Such facility shall be permitted by the RP for seven days only, however if new rent agreement is executed then the same shall be extended automatically.



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- b) No movement of any item of plant & machinery shall be allowed whether belonging to the CD or the tenant.*
- c) At one point of time maximum 30 workers shall be allowed for processing.*
- d) The tenant shall pay rent @ Rs 1.20 lac Pm for May, June and July 2024 plus GST to the account of the CD i.e CIRP commencement date till date of taking possession at the time of executing the rent agreement.*
- e) The RP shall execute the rent agreement @ Rs 1.20 Lac PM for maximum three months plus GST. The rent agreement shall be executed after voting by the CoC.*
- f) The tenant shall vacate the premises within 10 days of notice of vacation even during the Rent agreement continues.*
- g) All electric and diesel cost shall be paid by the tenant on regular basis and bills shall be submitted to the RP.*
- h) All the cases filed by the tenant shall be withdrawn.*
- i) Other terms which RP wishes to impose in the given circumstances.*

The RP said that he will grant permission subject to above terms and conditions.

The CoC said that as regards execution of rent agreement @ Rs 1.20 Lac Pm, the same may be executed maximum for a period of three months i.e., the time by which the CIRP is supposed to be over. The tenant shall pay advance rent of three months to the account of the CD and shall also take back all cases filed by him against the CD & RP to different courts. The tenant agreed on same. The RP said that the tenant shall vacate the premises on notice of 10 days and the same shall form part of agreement. The tenant agreed for the same.

Accordingly, following resolution is proposed for voting-



“Resolved that the RP shall execute a fresh rent agreement w.e.f. 03.11.2024 to 02.02.2025 on a monthly rental of Rs 1.20 lac subject to conditions enumerated in the minutes and all the rent of three months be recovered in advance to the account of the CD within 10 days of execution.”

36. Pursuant to the approval granted by the Committee of Creditors in its 5th CoC Meeting held on 24.10.2024, the Applicant/Resolution Professional executed a fresh Rent Agreement with Respondent No. 1 for the period from 03.11.2024 to 28.01.2025, and was subsequently extended only till 29.03.2025. The relevant extract of the said Rent Agreement dated 20.11.2024, duly registered with sub-Registrar Jaipur-V on 25.11.2024, reads as under:

“After detailed discussion, both parties agreed to the terms and executed agreement and terms as under in presence of following witnesses.

1. That the period of rent agreement shall be from 3rd November to 28th January 2025 as extended period of CIRP if allowed by the Ld. AA which shall expire on 29.01.2025.

.....

10. The second party shall vacate the premises even before the term of this agreement within 10 days on notice by the first party on mall. In cage the early vacation is Bot done by the first party: then the first party shall refund the remaining rent. In: case, the premises are got vacated due to any violations by the second party then nothing would be refunded. On completion of the period of this agreement, the first party shall take Possession on next day i.e., 29.01.2025 if not got vacated before;

.....

13. For all purposes, the competent court shall be Hon'ble



NCLT, Mumbai only.”

37. In our considered view, the execution of subsequent agreement dated 20.11.2024 supersedes the earlier agreement dated 24.1.2024 and the said agreement dated 20.11.2024 also records the facts of vacation of premises by the Respondent No. 1 on 28.7.2024 pursuant to direction of this tribunal to hand over possession of properties of the corporate debtor. The Respondent No. 1 till this time never contended that the agreement dated 20.11.2024 was illegal, and it is only after the CoC refused to extend the tenor of said agreement for further period, the Respondent No. 1 approached Ld. Rent Tribunal, Jaipur, and obtained Order dated 17.06.2025. The agreement dated 20.11.2024, duly registered with the sub-registrar, can not be ignored so long as said agreement is not set-aside by a court of competent jurisdiction, which is not the case here.
38. In view of the aforesaid discussion, we do not find any merit in the contention of the Respondent No. 1 that it remains a protected tenant in terms of unregistered agreement dated 1.4.2014 and registered agreement dated 9.1.2024, and Ld. Rent Tribunal ought not have exercised its jurisdiction in this matter in view of provisions under section 238 read with section 60(5)(c) of the IBC, which vests exclusive jurisdiction with this tribunal in relation to issues arising out of or in relation to insolvency resolution of the corporate debtor.
39. It is pertinent to note the decision in the matter of ***Mr. Pavan Vikram Sajhwani Vs. Mr. Santanu T Ray (Company Appeal (AT) (Insolvency) No.166 of 2024)***, wherein the Hon'ble NCLAT upheld the jurisdiction of this tribunal to deal with the tenancy issues in terms of section 60(5)(c) of the IBC. The relevant part of said decision is reproduced hereunder :



“9. Though the Learned counsel for the Appellant had tried to distinguish Adinath Jewellery (supra) to say the Hon’ble tribunal cannot ordinarily usurp legitimate jurisdiction of other Courts in exercise of its residual functions under Section 60(5) of the IBC Code, but section 60(5)(c) rather notes:- “(c)Any question of priorities or any question of law or facts, arising out of or in relation to the insolvency resolution or liquidation proceedings of the corporate debtor or corporate person under this Code.”

10. Even otherwise, the issue of passing an eviction order qua immovable properties forming part of assets of Corporate Debtor, despite injunctions, have been discussed in various judgements. In Jhanvi Rajpal Automotive Pvt Ltd versus RP of Rajpal Abhikaran Pvt Ltd & Anr Company Appeal No.1417 of 2022, this Hon’ble Tribunal has taken a view in case of M.P. Accommodation Control Act, 1961 that where the Corporate Debtor has ownership right over the premises, the premises can be taken in control by IRP/.RP. This Hon’ble Tribunal was of the view that the suit is not contemplated in the statutory scheme contained in the IBC. The order of this Hon’ble Tribunal was challenged before Hon’ble Supreme Court and the petition was dismissed. This issue once again came up for consideration before this Tribunal in the case of Nitin Jan V, Universal Tutorial Pvt Ltd, COMPANY Appeal No.337 of 2021 where the NCLT refused to grant orders for taking possession and eventually this Hon’ble Tribunal has allowed the application in view of the orders passed by this Hon’ble Tribunal.

11. This issue in identical facts also came up for consideration before this Hon’ble Tribunal in Adinath



Jewellery Exports Vs. Brijendra Kumar Mishra Company Appeal No.748 of 2022 wherein it was contended that there is a suit which is pending before the Small Causes Court and injunction order is granted. This Hon'ble tribunal after framing issues with a regard to whether such an order can be passed in paragraph 31 and after taking into consideration Section 33, 60 and 238 of IBC has rejected the contention that pendency of the suit will in any manner affect the jurisdiction of the Tribunal and the Tribunal has jurisdiction to decide the same."

40. The continuation of possession by Respondent No. 1 after expiry of arrangement with the Respondent No. 1 cannot defeat the objectives of the CIRP or obstruct the Resolution Professional from discharging his statutory duties under the Insolvency and Bankruptcy Code, 2016. The assets of the Corporate Debtor are required to remain under the control and custody of the Resolution Professional for effective conduct of CIRP and value maximization. Any unauthorized occupation or obstruction in handing over possession would adversely affect the insolvency resolution process and implementation of the approved Resolution Plan. It is pertinent to note that the Resolution Plan in **IA(IBC)(Plan)/120/MB/2025** has already been approved by this Tribunal.
41. The reliance placed by Respondent No. 1 upon the decision in *Vishal N. Kalsaria v. Bank of India* does not assist the Respondents in the peculiar facts of the present case, since the occupation of Respondent No. 1 during CIRP was subsequently governed by fresh arrangements expressly approved by the Committee of Creditors and executed by the Resolution Professional himself for a limited duration.



42. In view of the aforesaid facts and circumstances, this Tribunal is satisfied that the Applicant/Resolution Professional has made out a fit case for grant of necessary directions against Respondent Nos. 1 to 3 for handing over peaceful and vacant possession of the premises belonging to the Corporate Debtor.

ORDER:

In view of the foregoing discussion and findings, the present Interlocutory Application deserves to be allowed.

43. Accordingly, Respondent Nos. 1 to 3 are hereby directed to hand over peaceful and vacant possession of the Land and Building of the Corporate Debtor situated at SP-2, RIICO Industrial Area, Shivdasapura, Jaipur, Rajasthan to the Applicant/Resolution Professional within a period of 15 days from the date of this Order.
44. Respondent No. 1 shall also pay all outstanding occupation charges/rent, if any, payable for the period of continued occupation till handing over peaceful possession of the premises to the Applicant, and such rent shall accrue to the financial creditors.
45. In the event of failure on the part of Respondent Nos. 1 to 3 to comply with the aforesaid directions within the stipulated period, the Applicant/Resolution Professional shall be at liberty to seek assistance of the local police authorities concerned for enforcement and implementation of this Order, and the concerned police authorities shall render all necessary assistance to the Applicant.
46. With the aforesaid directions, **IA (I.B.C) No. 5092/2025** stands allowed and disposed of. No order as to costs.

SD/-

Prabhat Kumar
Member (Technical)

Vipul Ghate

SD/-

Sushil Mahadeorao Kochey
Member (Judicial)