NATIONAL COMPANY LAW APPELLATE TRIBUNAL
PRINCIPAL BENCH, NEW DELHI

COMPANY APPEAL (AT)(INS) No. 1462 of 2026

(Arising out of judgement and order dated 11.06.2026 passed by National Company Law Tribunal, Chandigarh in IA No.1975/2023 and IA No.1991/2023 in CP(IB) No.66/CHD/PB/2019)

IN THE MATTER OF:

M/S DUKE FASHIONS (INDIA) LTD.,
a company incorporated under the Companies Act,
having its office at Near Jalandhar Bye Pass,
G.T. Road (West), Ludhiana, Punjab 141008, through its authorised representative. **APPELLANT**

Versus

1. **SH. PRAMOD KUMAR MISRA,**
   Liquidator of M/s Venus Garments (India) Limited,
   R/o 5203, DLF Phase-4, Gurgaon, Haryana.

2. **STATE BANK OF INDIA,**
   Financial Creditor,
   through its Authorised Officer / Branch Manager,
   Ludhiana, Punjab. (Proforma Respondent.)

3. **SH. KOMAL KUMAR JAIN,**
   Director, M/s Duke Fashions (India) Ltd.,
   Near Jalandhar Bye Pass, G.T. Road (West),
   Ludhiana, Punjab 141008. (Proforma Respondent.)

4. **SMT. KANCHAN JAIN,**
   Director, M/s Duke Fashions (India) Ltd.,
   Near Jalandhar Bye Pass, G.T. Road (West),
   Ludhiana, Punjab 141008. (Proforma Respondent.)

5. **SH. DHEERAJ BAGGA**,
   Director, M/s Duke Fashions (India) Ltd.,
   Near Jalandhar Bye Pass, G.T. Road (West),
   Ludhiana, Punjab 141008. (Proforma Respondent.)

6. **SH. ASHISH JAIN,**

Director, M/s Duke Fashions (India) Ltd.,
Near Jalandhar Bye Pass, G.T. Road (West),
Ludhiana, Punjab 141008. (Proforma Respondent.)

RESPONDENT(S)

Present:

For Appellant:Mr. Vaibhav Sharma, Advocate

For Respondents: Mr. Gopal Jain, Sr Advocate, Ms Sugandha Batra, Mr Vishal Sharma, Mr. Vansh Bhatnagar, Mr Divyanshu Rai, Ms Taruna, Mr Shubh Gautam, Ms Komal, Ms Kriti Jain, Advocates.

WITH

COMPANY APPEAL (AT)(INS) No. 1475 of 2026

IN THE MATTER OF:

M/S UV & W PRODUCTS PRIVATE LIMITED,
a company incorporated under the Companies Act,
having its office at House No. B-328/1,
Dr. Sham Singh Road, Civil Lines, Ludhiana,
Punjab 141001, through its authorised representative.

APPELLANT

Versus

1. **SH. PRAMOD KUMAR MISRA,**
   Liquidator of M/s Venus Garments (India) Limited,
   R/o 5203, DLF Phase-4, Gurgaon, Haryana.

2. **STATE BANK OF INDIA,**
   Financial Creditor,
   through its Authorised Officer / Branch Manager,
   Ludhiana, Punjab. (Proforma Respondent.)

3. **SMT. SHWETA JAIN,**
   Director, M/s UV & W Products Private Limited.,
   House No. B328/1, Dr. Sham Singh Road,
   Civil Lines, Ludhiana, Punjab 141001 (Proforma Respondent.)

4. SMT. BHUMIKA JAIN,
Director, M/s UV & W Products Private Limited.,
House No. B328/1, Dr. Sham Singh Road,
Civil Lines, Ludhiana, Punjab 141001 (Proforma Respondent.)

RESPONDENT(S)

Present:

For Appellant: Mr Vaibhav Sharma, Advocate.

For Respondents: Mr. Gopal Jain, Sr Advocate, Ms Sugandha Batra, Mr Vishal Sharma, Mr. Vansh Bhatnagar, Mr Divyanshu Rai, Ms Taruna, Mr Shubh Gautam, Ms Komal, Ms Kriti Jain, Advocates.

JUDGEMENT

JUSTICE YOGESH KHANNA, OFFICIATING CHAIRPERSON

This Company Appeal(AT)(Ins) No.*1462/2026*, is against the common order dated *11.06.2026* passed by the Learned NCLT, Chandigarh vide which the appellant who is a tenant of the Corporate Debtor in a settled commercial possession of the Karabara Property since 13.05.2011 has been directed to be evicted within two weeks.

2. The Company Appeal (AT)(Ins) No.*1475/2026* is also against the common order dated *11.06.2026* passed by the Ld. NCLT Chandigarh by which the appellant, a tenant of the Corporate Debtor in settled commercial possession of the Hussainpura property since 01.09.2018 has been directed to be evicted within two weeks.

3. It is argued in a meeting of Committee of Creditors, the Respondent was advised to file suit for eviction of premises under the Rent Restriction Act, 1949

before the Rent Controller but instead of doing so, the Resolution Professional filed an application under Section *60(5)* read with Section *18* and *25* of the Code, seeking the eviction of the Appellant under the garb of taking control of the assets of the Corporate Debtor, by concealing relevant material facts and by distorting the same which amongst others, includes undisputed specific admission, existence and operation of lease deed in between the parties i.e. including corporate debtor, its lender and tenant. It was argued taking *control* of the assets of the Corporate Debtor does not, however, equate to securing vacant physical possession of the premises in occupancy of tenant on the allegation of non-payment of rent, which is, by definition, not a matter concerned with the insolvency.

4. It was argued the Corporate Debtor was directed into liquidation on 22.07.2025, and thereafter the application under Section 18 and 25 which empowers the Resolution Professional to recover possession became infructuous and the Liquidator who replaced the Resolution Professional lost his locus to pursue it and was required to file a fresh application under Section *35* of the Code but instead he pursued the same application, without modification, but by a mere amended memo of parties. It is argued there is no impediment to the liquidation of the corporate debtor or to the sale of the property but with a rider the purchaser would purchase it subject to tenancy as routinely happens under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002. The learned counsel for the appellant argued where the tenancy law also has a *non-obstante clause* as is in Section 238 of the IBC

then the non-obstante clause in the said Act cannot be ignored and made redundant. In support thereof he referred to Vishal N Kalsaria Vs Bank of India and Ors (2016) 3 SCC 762 wherein the Hon'ble Supreme Court held as under: -

> *24.When we understand the factual matrix in the backdrop of the objectives of the above two legislations, the controversy in the instant case assumes immense significance. There is an interest of the bank in recovering the Non Performing Asset on the one hand, and protecting the right of the blameless tenant on the other. The Rent Control Act being a social welfare legislation, must be construed as such. A landlord cannot be permitted to do indirectly what he has been barred from doing under the Rent Control Act, more so when the two legislations, that is the SARFAESI Act and the Rent Control Act operate in completely different fields. While SARFAESI Act is concerned with Non Performing Assets of the Banks, the Rent Control Act governs the relationship between a tenant and the landlord and specifies the rights and liabilities of each as well as the rules of ejectment with respect to such tenants. The provisions of the SARFAESI Act cannot be used to override the provisions of the Rent Control Act. If the contentions of the learned counsel for the respondent Banks are to be accepted, it would render the entire scheme of all Rent Control Acts operating in the country as useless and nugatory. Tenants would be left wholly to the mercy of their landlords and in the fear that the landlord may use the tenanted premises as a security interest while taking a loan from a bank and subsequently default on it. Conversely, a landlord would simply have to give up the tenanted premises as a security interest to the creditor banks while he is still getting rent for the same. In case of default of the loan, the maximum brunt will be borne by the unsuspecting tenant, who would be evicted from the possession of the tenanted property by the Bank under the provisions of the SARFAESI Act. Under no circumstances can this be permitted, more so in view of the statutory protections to the tenants under the Rent Control Act and also in respect of contractual tenants along with the possession of their properties which shall be obtained with due process of law.*
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> *30.It is a settled position of law that once tenancy is created, a tenant can be evicted only after following the due process of law, as prescribed under the provisions of the Rent Control Act. A tenant cannot be arbitrarily evicted by using the provisions of*

the SARFAESI Act as that would amount to stultifying the statutory rights of protection given to the tenant. A non obstante clause (Section 35 of the SARFAESI Act) cannot be used to bulldoze the statutory rights vested on the tenants under the Rent Control Act. The expression 'any other law for the time being in force' as appearing in Section 35 of the SARFAESI Act cannot mean to extend to each and every law enacted by the Central and State legislatures. It can only extend to the laws operating in the same field. Interpreting the non obstante clause of the SARFAESI Act.

32.In view of the above legal position, if we accept the legal submissions made on behalf of the Banks to hold that the provisions of SARFAESI Act override the provisions of the various Rent Control Acts to allow a Bank to evict a tenant from the tenanted premise, which has become a secured asset of the Bank after the default on loan by the landlord and dispense with the procedure laid down under the provisions of the various Rent Control Acts and the law laid down by this Court in catena of cases, then the legislative powers of the state legislatures are denuded which would amount to subverting the law enacted by the State Legislature. Surely, such a situation was not contemplated by the Parliament while enacting the SARFAESI Act and therefore the interpretation sought to be made by the learned counsel appearing on behalf of the Banks cannot be accepted by this Court as the same is wholly untenable in law.

5. It was thus argued by the appellant the only way to vacate the appellant is by way of eviction under the Rent Control Act, as applicable and the default of the Corporate Debtor cannot take away the right of the tenant.

6. Thus the question that arises in these appeals is ***(i)*** whether the liquidator could have pursued an application filed by the Resolution Professional and ***(ii)*** if under the IBC the possession from the tenant can be secured by the Resolution Profession or the Liquidator.

7. Qua issue ***(i)*** above, *admittedly* the Resolution Professional filed application for eviction of the appellants and upon direction to liquidate the

Corporate Debtor, the liquidator was impleaded in the said application and continued with it; hence it cannot be said the application became infructuous or could not be continued by the liquidator, though, technically filed under different sections but it were the contents of the application which were important.

8. Further, even if it were assumed that Sections *18* and *25* of the IBC are inapplicable at the liquidation stage, such a contention is immaterial, as Section *35* embodies pari materia powers vested in the Liquidator, identical in substance and intent. Section *35(1)(b), (d), (e), (k) and (l)* collectively confer comprehensive authority upon the Liquidator to take custody and control of the assets of the Corporate Debtor, to protect and preserve such assets, and to undertake all acts necessary for their effective realization.

9. Sections *35(1)(b)* and *(d)* do not merely confer enabling powers but impose mandatory statutory duties upon the Liquidator to secure and safeguard the assets of the Corporate Debtor. In this backdrop, the present Application, seeking recovery and protection of such assets, falls squarely within the statutory mandate of the Liquidator. It is therefore not a matter of discretion but an obligation on the Liquidator and any failure to pursue the present proceedings would amount to a dereliction of statutory duty. Accordingly, the Application is not only maintainable but is required to be prosecuted in discharge of the Liquidator's obligations under the Code.

10. Qua issue ***(ii)*** above, three things are clear from the facts of the case *viz* *(a)* the Corporate Debtor is an absolute owner of the subject property; *(b)* the

appellants are not tenant but are unauthorized occupants/illegally using the said property and *(c)* the lease for the property, purportedly was executed for 30 years, but was never registered, hence could not be read in evidence. Further the tenants were found to be the close relatives of the suspended director(s) of the corporate debtor, and hence the Ld. NCLT found it was all a game plan to throttle the auction process as was done nine times before. In any case the issue whether the Resolution Professional or a liquidator can take possession of a property in occupation of a tenant is no longer *res-integra*. In Gujarat Urja Vikas Nigam Ltd Vs Amit Gupta and others, the Hon'ble Supreme Court held as follows:

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> *67 The institutional framework under the IBC contemplated the establishment of a single forum to deal with matters of insolvency, which were distributed earlier across multiple fora. In the absence of a court exercising exclusive jurisdiction over matters relating to insolvency, the corporate debtor would have to file and/or defend multiple proceedings in different fora. These proceedings may cause undue delay in the insolvency resolution process due to multiple proceedings in trial courts and courts of appeal. A delay in completion of the insolvency proceedings would diminish the value of the debtor's assets and hamper the prospects of a successful reorganization or liquidation. For the success of an insolvency regime, it is necessary that insolvency proceedings are dealt with in a timely, effective and efficient manner…………Therefore, considering the text of Section 60(5)(c) and the interpretation of similar provisions in other insolvency related statutes, NCLT has jurisdiction to adjudicate disputes, which arise solely from or which relate to the insolvency of the Corporate Debtor. However, in doing do, we issue a note of caution to the NCLT and NCLAT to ensure that they do not usurp the legitimate jurisdiction of other courts, tribunals and fora when the dispute is one which does not arise solely from or relate to the insolvency of the Corporate Debtor. The nexus with the insolvency of the Corporate Debtor must exist.*

11. The impugned order duly notes the subject properties were *admittedly* the asset(s) of the Corporate Debtor and both these properties viz Karabara Property and the Hussainpura property were reflected in the Balance Sheet and Books of Accounts of Corporate Debtor i.e. Venus Garments (India) Ltd. Hence both these properties constitute the assets of the Corporate Debtor and form part of the liquidation estate within the meaning of Section *36(3)(a)* of the Code and the liquidation estate vested in the liquidator upon passing of the liquidation order dated 22.07.2025 included both the subject properties. The reasoning of the Ld. NCLT given to this effect is as under: -

> *18. The liquidation estate, which vested in the Liquidator upon the passing of the Liquidator Order dated 22.07.2025, includes both the subject properties, i.e. the Karabara Property and the Hussainpura Property. ✓ Section 36(1) of the IBC provides that the assets of the Corporate Debtor shall vest in the liquidation estate; Section 36(3) specifically includes "assets over which the corporate debtor has ownership rights" within the liquidation estate. The Liquidator's right to take possession of both the subject properties arises mandatorily from Section 36(1) read with Section 35(1)(b) of the Code and not from the alleged Lease Deeds or from the tenancy laws of landlord and tenant.*
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> *19. The IBC vests comprehensive powers in the Resolution Professional and the Liquidator, and in this Tribunal, to deal with all matters relating to the assets of the Corporate Debtor. Section 18(1)(f) specifically empowers the IRP/RP to take custody and control of all assets of the Corporate Debtor, including assets that may or may not be in the possession of the Corporate Debtor. Sections 35(1)(b), (e), (k), and (1) vest the Liquidator with pari materia powers, including the power to take possession of and realise all assets of the Corporate Debtor. These are not just enabling powers; they are mandatory statutory duties. A Liquidator who fails to pursue recovery of a liquidation estate asset that is being wrongfully withheld, is in dereliction of a statutory duty. It is against this statutory backdrop that the Respondents contention that this*

Tribunal lacks jurisdiction and that the Liquidator must proceed before the Rent Controller falls to be examined.

20. In the present Applications, the Liquidator's need to take possession of the Karabara and Hussainpura Properties arises solely because of the liquidation of the CD. The Liquidator did not exist before the liquidation. The liquidation estate did not vest before the liquidation. The obligation to deliver possession to the Liquidator arose under Section 36(1) of the Code, a post-CIRP, liquidation-stage statutory obligation that exists only insofar as the CD is insolvent. Without the liquidation of Venus Garments, there would be no occasion for either IA No. 1975 of 2023 or IA No. 1991 of 2023. The nexus with the insolvency is not incidental; it is complete and causal. This dispute has arisen solely on account of the insolvency of the Corporate Debtor; this Tribunal is therefore fully empowered to adjudicate it under Section 60(5)(c) of the Code.

21. In Jhanvi Rajpal Automotive Pvt. Ltd. v. Resotution Professional, CA(AT)(Ins.) No. 1417 of 2022, the Hon'ule NCLAT has held that eviction proceedings by the RP/Liquidator before the NCLT are maintainable. The Honble NCLAT specifically held that Embassy Property (supra) has no application to cases where the Corporate Debtor is the owner/landlord, the ratio of Embassy Property is expressly confined to situations where the Corporate Debtor is a lessee seeking to assert rights against a governmental authority. At paragraph 20 of the Judgment Hon'ble NCLAT underscored the intent and purpose of the IBC, which is to ensure that the assets of the Corporate Debtor are realised in a time-bound manner for the benefit of the creditors, and any obstacle to that realisation, including wrongful occupation of the Corporate Debtor's property, is a matter arising in relation to the insolvency that this Tribunal has jurisdiction and duty to address. Paras 14, 17 and 20 of Jhanvi Rajpal (supra) are reproduced below:

> *"14. For effectuating the duties entrusted on the IRP under Section 18 recourse to adjudicating Authority by filing an Application under Section 60(5) is fully permissible. In the present case, we are considering the case where there is no dispute that assets in question are owned by the Corporate Debtor hence by virtue of Section 18(1)(f), Resolution Professional can take steps for taking possession of the assets. To resist the case taken by the RP, Appellant contends that under Section 60(5), no Application can be entertained for eviction of the Appellant and the only remedy available to the RP is to*

take proceedings under MP Accommodation Control Act, 1961. It is further relevant to notice that present is a case where renewal lease dated 17.09.2021 was executed by the RP himself for a period of 5 months till 31st December, 2021. The Appellant thus was permitted by the RP to continue with the Lease for five months till 31.12.2021 and we have already noticed the conditions in the rent agreement as extracted above. Paragraph 11 and 16 which clearly stipulated that first party is to vacate the premises when 15 days notice is given in writing. Renewal of the lease to the Appellant was with the approval of the CoC as noted above, RP cannot create any right in favour of the Appellant with regard to the assets of the Corporate Debtor without prior approval of the CoC as contained in Section 28(1)(k) of the Code. We have noticed above that CoC has taken decision to issue Legal Notice to the Appellant to vacate from premises.

17. The above was a case where challenge was to the Order of the State Government rejecting the proposal for deemed extension. Challenge to the said order could not have been made before the Adjudicating Authority since it was the matter of judicial review of action of the State Government. It is also relevant to notice one important distinction of the present case from the case of "Embassy Property Pvt. Ltd." (supra). The corporate debtor was only a lessee whereas in the present case, the lessee is the Appellant and the corporate debtor is the owner of the assets. Corporate Debtor being owner of the assets as observed in paragraph 40 by the Hon'ble Supreme Court, NCLT has been conferred with jurisdiction to decide all types of claims to property, of the corporate debtor. Section 18(1)(f)(vi) provides "assets subject to the determination of ownership by a court or authority". In the present case, there is no applicability of clause (vi) of Section 18(1)(f) since there is no cloud over the title of the corporate debtor over the assets nor any dispute pertaining to ownership of assets is pending in any court or authority. The judgment in the case of "Embassy Property" (supra) does not come to the aid of the Appellant in the present case.

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20. Accepting the contention of the Learned Counsel for the Appellant that RP is obliged to file a suit for eviction of the Appellant under MP Accommodation Control Act,

> *1961 even though lease in favour of the Appellant has expired shall be unduly prolonging the insolvency process which is a time bound process. When the Corporate Debtor has the ownership rights over the premises which premises can be taken in control by IRP/RP, we are of the view that for eviction of the Appellant especially in event when lease in favour of the Appellant has come to an end, filing a suit is not contemplated in the statutory scheme contained in IBC.*

12. Further the lease(s) created for a fixed term of 30 years, were mandatorily required to be registered and as both these lease deeds were never registered, hence *per* Section *49* of the Registration Act could not be received as an evidence *qua* the content of the document. The impugned order rather notes the directors of both M/s Duke Fashions (India) Ltd and M/s UV & W Products Pvt. Ltd are, admittedly, related parties of the Corporate Debtor, as defined under Section *5(24)* of the Code, being entities and individuals controlled by the same family that promoted and managed the Corporate Debtor and their interest is common to keep away the liquidator from recovering these assets which infact serves the interest of the suspended directors of the Corporate Debtor.

13. Further, the appellants have contended the eviction can only be sought under the East Punjab Urban Rent Restriction Act, 1949 ("**Rent Act**") before the Rent Controller, and that Section 238 of the IBC does not override the Rent Act in the absence of a direct conflict. For the reasons set out below, the contention is incorrect.

14. First, and most fundamentally, the Jhanvi Rajpal Automobile Pvt. Ltd. Vs. R.P. Of Rajpal Abhikaran, Company Appeal (AT) (Insolvency) No. 1417 of 2022, upheld by Hon'ble Supreme Court and Classic Marble Vs. Truvisory Insolvency

Professionals Pvt. Ltd. and Anr., Company Appeal (AT) (Insolvency) No.187 of 2026, have categorically held the Liquidator/RP can seek eviction of tenants, licensees, and other occupants before the Ld. NCLT without resorting to civil or rent control proceedings.

15 Further this Tribunal in Adinath Jewellery Exports vs Mr. Brijendra Kumar Mishra Liquidator, Company Appeal (AT) (Insolvency) No. 748 of 2022 has addressed the specific question of when a Resolution Professional would need to resort to the Rent Act, answering that the Resolution Professional is not required to go to the Rent Controller, and the only situation where the Rent Act might be relevant is where there exists a registered lease deed supported by regular payment of rent. Both conditions are entirely *absent* in the present matter, the alleged Lease Deed is *unregistered* and not *a single rupee of rent has ever been paid.*

16. Now even if there were a conflict between the Rent Act and the IBC; Section 238 of the IBC provides the IBC shall have effect notwithstanding anything inconsistent contained in any other law for the time being in force. The IBC is a special, later legislation enacted for a specific purpose of the time-bound resolution and realisation of distressed assets. To the extent of any repugnancy, the IBC prevails over any other special statute enacted prior in time.

17. The Respondents' reliance on Vishal Kalsaria v. Bank of India (supra) is misplaced. The Supreme Court's reasoning in such case was specifically premised on the *non-obstante clause* in the SARFAESI Act and the distinct

scheme of that legislation, which confers rights on secured creditors, not resolution professionals or liquidators. The ratio of Vishal Kalsaria, passed before enactment of Section 238 of IBC, has no application to the IBC framework, as has been specifically distinguished in catena of judgments.

18. Moreso, Vishal N. Kalsaria is inapplicable on three independent grounds: *(a)* it was decided on 20.01.2016 before Section 238 IBC was enacted and was specially in context of SARFAESI Act. *(b)* it was premised on protection of a blameless, unrelated, rent-paying third-party tenant, and not applicable to the Respondents, who are related parties of Corporate Debtor under Section *5(24)* of IBC and *(c)* the Hon'ble Supreme Court itself conditioned protection on "paying and receiving rent", whereas respondents have admittedly not paid any rent to Corporate Debtor in seven years and alleged some adjustments without proper documents.

19. Thus the application is maintainable as an exercise of the NCLT's jurisdiction under Section *60(5)(c)* of the IBC, a jurisdiction-conferring provision of the widest amplitude, read with Sections 35 and 36. Section 60(5)(c) confers jurisdiction upon this Tribunal to adjudicate *any question of fact or law arising in relation to the liquidation of the Corporate Debtor*. The question of whether the Liquidator is entitled to possession of the liquidation estate is such a question. It does not require a non-obstante clause to be invoked; the NCLT's jurisdiction under Section 60(5)(c) is plenary and inherent.

20. In any event, Section 238 of the IBC, which operates ex proprio vigore, cannot be waived by a concession of counsel. The IBC's overriding effect is a statutory mandate and not a discretionary argument. As held by the Hon'ble Supreme Court in **Innoventive Industries Ltd. v. ICICI Bank**, (2018) 1 SCC 407, Section 238 is a complete override that does not merely override procedural provisions but overrides any law, substantive or procedural, inconsistent with the IBC. The Rent Act, insofar as it bars eviction by the Liquidator pursuing the mandatory statutory duty to take custody of liquidation estate assets, creates an irreconcilable inconsistency with the IBC which is resolved in favour of the IBC by operation of Section 238, regardless of whether such argument is specifically "adopted" by counsel.

21. The appellants also raised a constitutional argument predicated on Entry 18 of List II of the Seventh Schedule, asserting that "landlord-tenant relations" fall within exclusive State legislative competence, making Section 60(5) constitutionally suspect and requiring harmonious construction to exclude eviction of protected tenants. This argument is misconceived for several reasons. Firstly, the IBC is not a legislation on landlord-tenant relations. It is legislation on insolvency and bankruptcy enacted under Entries 9 of List III (Concurrent List) and Entries 43-44 of List I (Union List). The subject-matter of the IBC is the insolvency resolution and liquidation of corporate debtors, and the recovery of the liquidation estate is inextricably part of that subject-matter. The mere incidental effect of an IBC order on the possession of premises does not convert an insolvency matter into a landlord-tenant matter falling under Entry 18 of List

II. Secondly, the constitutional argument was implicitly resolved by the Hon'ble Supreme Court's express affirmation in **Jhanvi Rajpal Automotive Pvt. Ltd. v. R.P. of Rajpal Abhikaran Pvt. Ltd.**, 2023 SCC OnLine SC 1535. If the jurisdiction of the NCLT to direct eviction were constitutionally barred, the Hon'ble Supreme Court could not have affirmed it. Thirdly, even within the Entry 18/Section 238 framework, the appellants own authority **Vishal N. Kalsaria** confined the protection to the SARFAESI non-obstante clause and "blameless tenants" paying regular rent, conditions entirely absent here. Lastly, the IBC's objects and the liquidation mandate are constitutionally protected under a comprehensive legislative scheme validated by the Hon'ble Supreme Court in **Swiss Ribbons Pvt. Ltd. v. Union of India**, (2019) 4 SCC 17. The proposition that a related-party non-rent-paying occupant can defeat the entire liquidation mandate of the NCLT on the basis of a constitutional argument of this nature would subvert the constitutional design of the IBC.

22. The Liquidation Order dated 22.07.2025 itself contains specific directions for the Liquidator to continue with all pending matters and pursue all outstanding applications. Relevant part of aforesaid order is reproduced below:

> "*The Liquidator shall follow up and continue to investigate the financial affairs of the Corporate Debtor in accordance with provisions of Section 35(1) of the Code.*
>
> *xiii. The Liquidator shall also follow up on the pending applications for disposal during the process of Liquidation including initiation of steps for recovery of dues of the Corporate Debtor as per law.*"

The present Application, filed during the CIRP period, is a pending matter that the Liquidator is bound and directed to pursue by this Hon'ble Adjudicating Authority itself.

23. Thus we see no reasons to differ from the impugned order passed by the Ld. NCLT Chandigarh. Accordingly, the appeals are dismissed.

24. Pending applications, if any, are disposed of.

[Justice Yogesh Khanna]
Officiating Chairperson

[Mr. Barun Mitra]
Member (Technical)

Dated:22-09-2026

Bm