

IN THE NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH, COURT – 1, AHMEDABAD



ITEM No.307
IA/1293(AHM)2026
in
RCP(IB)/1(AHM)2026
(Old Case C.P. (IB)/249/AHM/2025)

Under Section 60(5) IBC r/w Rule 11 NCLT 2016

IN THE MATTER OF:

Mr Raja Narandas Wadhwani & Anr.

.....Applicants

V/s

Mr. Rathin Amishbhai Majmudar RP of Ms JCR Fashion
Retail Pvt. Ltd

.....Respondent

Order delivered on: 21/09/2026

C O R A M:

MR. SHAMMI KHAN, HON'BLE MEMBER (J)
MR. SANJEEV SHARMA, HON'BLE MEMBER (T)

ORDER
(Hybrid Mode)

The case is fixed for pronouncement of order. The order is pronounced in the open court, vide separate sheet.

-SD-

SANJEEV SHARMA
MEMBER (TECHNICAL)

-SD-

SHAMMI KHAN
MEMBER (JUDICIAL)



**BEFORE THE ADJUDICATING AUTHORITY
NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH COURT-1 AHMEDABAD**

**I.A. No.1293(AHM) 2026
In
RCP(IB)/ 1(AHM)2026**

*[An application under Section 60(5) of the Insolvency and
Bankruptcy Code, 2016]*

In the matter of : JCR Fashion Retail Private Limited

1. Raja Narandas Wadhwani

Having address at,
B/16/B, Jagruti Society,
Opp. Gandhi Park Bus Stop,
Harni Airport Road,
Vadodara - 390022, Gujarat.

2. Kishor Ashiram Sewani

Having address at,
401, Shagun Flat,
57 Alkapuri Society,
Alkapuri, Vadodara – 390007.

.... Applicants

VERSUS

Rathin Amishbhai Majmudar,

Resolution Professional of
JCR Fashion Retail Pvt. Ltd.
Having address at,
604, Scarlet Gateway,
Opp. Rivera Antilia, Corporate Road,
Nr. Prahladnagar Garden,
Ahmedabad, Gujarat - 380015.

... Respondent/RP

Order Pronounced On: 21.09.2026

C O R A M:

SH. SHAMMI KHAN, HON'BLE MEMBER (JUDICIAL)



**SH. SANJEEV SHARMA, HON'BLE MEMBER
(TECHNICAL)**

A P P E A R A N C E:

For the Applicants : Mr. Nilesh Udarnani, Advocate
For the Respondent/RP : Mr. Nipun Singhvi, Adv. a. w.
: Mr. Rathin A. Majmudar, RP

**O R D E R
(Per: BENCH)**

1. This Interlocutory Application has been filed on 20.07.2026 by the Applicants under Section 60(5) of the Insolvency and Bankruptcy Code, 2016 read with Rule 11 of the National Company Law Tribunal Rules, 2016 for seeking the following prayers: -

- a) *This Hon'ble Tribunal be pleased to allow the present Application and be pleased to condone the delay, if any, in filing the present Application;*
- b) *This Hon'ble Tribunal be pleased to direct the Respondent - Resolution Professional to hand over peaceful, and vacant possession of the subject property, namely Unit Premises No. 104 on the Ground Floor admeasuring 2722 square feet built-up area situated in the commercial facility known as "VedTranscube Plaza", Vadodara, to the Applicants within such time as may be stipulated by this Hon'ble Tribunal, in the interest of justice;*
- c) *This Hon'ble Tribunal be pleased to declare that the Registered License Agreement dated 18.12.2017 stood expired by efflux of time on 18.12.2025 and that the Corporate Debtor has no subsisting right, title or interest to continue in occupation of the subject property, in the interest of justice;*



- d) *This Hon'ble Tribunal be pleased to direct the Corporate Debtor to pay mesne profits, occupation charges and/or compensation for use and occupation of the subject property from 10.03.2026 until the date of actual handing over of peaceful and vacant possession, together with interest thereon at such rate as this Hon'ble Tribunal may deem fit, in the interest of justice;*
- e) *This Hon'ble Tribunal be pleased to pass such further or other orders/ reliefs as this Hon'ble Adjudicating Authority may deem fit and proper, in the interest of justice.*

2. The Applicants have placed the facts through the I.A. and documents in the following manner: -

- 2.1 The Applicants seek relief under Section 60(5) of the Insolvency and Bankruptcy Code, 2016 read with Rule 11 of the NCLT Rules, 2016 regarding Unit Premises No. 104, Ground Floor, VedTranscube Plaza, Vadodara, admeasuring 2,722 square feet.
- 2.2 The Applicants state that GSRTC granted leasehold rights to Mr. Umed Amarchand Fifadara and Mrs. Usha Umed Fifadara by Registered Lease Deed dated 31.05.2017 for 90 years, with a right to sublet or transfer the leasehold rights. A copy thereof is annexed as Annexure B.
- 2.3 The said lessees granted the Corporate Debtor the premises under Registered License Agreement dated 18.12.2017 for 8 years, commencing on 18.12.2017 and expiring on 18.12.2025. A copy thereof is annexed as Annexure C.



- 2.4 During the license period, the leasehold rights and interests were assigned to the Applicants by Registered Assignment of Lease Agreement dated 06.04.2023. The Applicants thereafter raised invoices and maintained accounts against the Corporate Debtor. A copy is annexed as **Annexure D**.
- 2.5 The Applicants state that the Corporate Debtor remained irregular in payment of license fees and other charges. Tax invoices and ledgers recording the amounts raised, received and outstanding are annexed as **Annexure E Colly**. and **Annexure F Colly**.
- 2.6 The Applicants state that no renewal, extension or fresh agreement was executed after discussions regarding continuation of the premises. The Corporate Debtor forwarded a draft fresh license agreement through WhatsApp on 15.09.2025. The screenshot is annexed as **Annexure G**.
- 2.7 The License Agreement expired by efflux of time on 18.12.2025. The Corporate Debtor continued in occupation thereafter and invoices were raised up to March 2026, with Rs. 41,60,298.12 outstanding towards rent, occupation charges and related dues.
- 2.8 The Corporate Debtor was admitted into CIRP by order dated 10.03.2026. A copy of the admission order is annexed as **Annexure A**. The Resolution Professional, by email dated 05.05.2026, acknowledged continued



occupation and sought reduction of rent during CIRP; the email is annexed as **Annexure H**.

2.9 By email dated 25.05.2026, the Applicants informed the Resolution Professional of expiry of the License Agreement and absence of a subsisting arrangement, sought possession and offered waiver of the outstanding dues if possession was handed over within 15 days. The email is annexed as **Annexure I**.

2.10 The Applicants contend that the Corporate Debtor has no subsisting contractual right to occupy the premises and that Section 14 of the Code cannot create or revive such right after expiry of the contractual term. The Applicants further state that the premises are not owned by or an asset of the Corporate Debtor.

2.11 In view of the above facts, the Applicants have sought directions for peaceful and vacant possession of Unit Premises No. 104, declaration of expiry of the License Agreement, payment of mesne profits, occupation charges or compensation from 10.03.2026 with interest, and such further reliefs as may be considered appropriate.

3. That on issuance of the notice in the Interlocutory Application, the Respondent/RP appeared and filed its reply on 01.09.2026 vide inward diary no. D-7442 denying various averments made in the Interlocutory Application.



The contentions of the Respondent/RP are mentioned hereunder: -

- 3.1 The Respondent, Resolution Professional of the Corporate Debtor, has denied the allegations and stated that the subject premises, being Unit Premises No.104, Ground Floor, VedTranscube Plaza, Vadodara, were already occupied and used by the Corporate Debtor when CIRP commenced on 10.03.2026. The Respondent stated that he continued the existing operations only in his statutory capacity and did not personally take possession of the premises.
- 3.2 The Respondent has placed the chronology of the premises, stating that the Concession Agreement was executed on 26.08.2010, Lease Deed on 31.05.2017, License Agreement on 18.12.2017 and Assignment of Lease Agreement in favour of the Applicants on 06.04.2023. The Applicants thereafter raised rental invoices, while discussions regarding continuation of the arrangement continued, including the proposed fresh License Agreement communicated on 15.09.2025.
- 3.3 The Respondent has stated that the earlier License Agreement expired on 18.12.2025, but the Corporate Debtor continued its business from the premises. The Applicants continued raising invoices thereafter and claimed Rs. 41,60,298.12/- up to March 2026. The



Respondent has disputed the claim and stated that the amount requires verification and reconciliation.

- 3.4 The Respondent has stated that on 05.05.2026 he requested reduction or revision of rent during CIRP to rationalise CIRP expenditure and continue operations, which communication is annexed as **Annexure R-1**. The Applicants replied on 25.05.2026 and proposed settlement upon handing over possession, and the said communication is annexed as **Annexure R-2**.
- 3.5 The Respondent has stated that the Committee of Creditors considered continuation of the Vadodara store and payment of rent. The Minutes of the 2nd CoC Meeting dated 08.05.2026, annexed as **Annexure R-3**, authorised payment of up to 50% of applicable contractual rent, subject to availability of funds, and authorised the RP to negotiate reduction, deferment or waiver of the balance rent and related charges.
- 3.6 The Respondent has further stated that the CoC considered continuation of the Vadodara Bus Station Store in its 4th Meeting dated 07.07.2026 and 5th Meeting dated 03.08.2026, and approved continuation subject to the outcome of e-voting and payment of 50% of contractual rent, subject to availability of funds. The respective Minutes are annexed as **Annexure R-4** and **Annexure R-5**.
- 3.7 The Respondent has stated that in the 6th CoC Meeting dated 17.08.2026, the CoC considered the



operational necessity of the identified stores and authorised continuation of operations as a going concern, including expenditure required for such operations. The Minutes of the said meeting are annexed as **Annexure R-6**.

- 3.8 The Respondent has relied upon Sections 14, 20(1), 25(1) and 14(1)(d) of the IBC and submitted that the RP is required to preserve the Corporate Debtor as a going concern and that recovery of property occupied by the Corporate Debtor during the moratorium is restricted.
- 3.9 The Respondent has submitted that the Applicants cannot seek recovery of possession by treating the matter as a personal dispute with the RP and that any amount payable for use of the premises during CIRP has to be dealt with within the CIRP framework after verification and reconciliation. The Respondent has denied liability for mesne profits, interest, occupation charges and other amounts claimed by the Applicants and has stated that any decision regarding surrender of the premises must be considered with the CoC in accordance with the Code.
- 3.10 The Respondent has relied upon *S. Rajendran, RP of M/s. Vasan Health Care Pvt. Ltd. v. Mr. B.M. Anand (HUF) & Ors.*, Company Appeal (AT) (CH) (Insolvency) No.37 of 2022, *Sudha Apparels Ltd. v. Mr. Ravi Sethia, RP of Future Lifestyle Fashion Ltd. & KPMG India Services Ltd.*, Company Appeal (AT) (Ins.) No.2026 of



2024, and *Prerna Singh v. Committee of Creditors & Anr.*, Contempt Case (AT) No.03 of 2020.

3.11 In view of the above facts, the Respondent has sought rejection of the reliefs claimed in the Application and has submitted that the continued use of the subject premises during CIRP be dealt with in accordance with the IBC, the CoC-approved arrangement and the orders of this Adjudicating Authority, with the Applicants' monetary claims being subject to verification and reconciliation.

4. The Applicants have also filed a rejoinder on 10.09.2026 vide inward diary no. D-7722, denying most contentions raised by the Respondent in his reply. The contents of the Rejoinder are reproduced as follows: -

4.1 The Applicants submitted that the Registered License Agreement dated 18.12.2017 had a fixed tenure and expired on 18.12.2025. The CIRP of the Corporate Debtor commenced on 10.03.2026. The Respondent does not claim ownership, permanent tenancy, automatic renewal or any independent proprietary right in the premises.

4.2 The Applicants submitted that no contractual right in the premises was subsisting in favour of the Corporate Debtor on 10.03.2026. According to the Applicants, Section 14 of the Code preserves rights existing on the insolvency commencement date and does not create,



revive or extend a contractual or possessory right which had already expired.

- 4.3 The Applicants further submitted that physical possession after expiry of the licence does not establish a subsisting right of occupation. The Applicants contend that commencement of CIRP cannot confer a statutory right to retain third-party property where the contractual right of occupation had ended before commencement of CIRP.
- 4.4 The Applicants stated that discussions regarding continuation of the arrangement did not create a contractual right. The Corporate Debtor had forwarded a draft fresh License Agreement on 15.09.2025, but the draft was not finalised or executed. The Applicants therefore submitted that the draft cannot constitute renewal of the earlier agreement.
- 4.5 The Applicants stated that, after the death of Mr. Ketan Thakkar, the Applicants did not take immediate steps for recovery of possession. The Applicants submitted that such restraint did not create any fresh or continuing right in favour of the Corporate Debtor after expiry of the agreement.
- 4.6 The Applicants submitted that the Resolution Professional's duty to preserve the Corporate Debtor as a going concern does not authorise continued use of third-party property without a subsisting contractual right. According to the Applicants, Sections 20 and 25



of the Code do not confer upon the Resolution Professional any right beyond that available to the Corporate Debtor.

- 4.7 The Applicants stated that the premises comprise Unit Premises No.104 on the Ground Floor, admeasuring 2722 square feet in VedTranscube Plaza, Vadodara. The Applicants submitted that the Corporate Debtor never owned the premises and its right was limited to occupation under the Registered License Agreement dated 18.12.2017, which expired on 18.12.2025.
- 4.8 The Applicants submitted that the decisions of the Committee of Creditors cannot extend an expired agreement or impose a fresh arrangement upon a third party. The Applicants refers to the CoC decision dated 08.05.2026 for payment of up to 50% of applicable or contractual rent, subject to availability of funds and negotiations.
- 4.9 The Applicants further submitted that the CoC continued to consider the premises in its meetings dated 07.07.2026, 03.08.2026 and 17.08.2026. The Applicants contend that such decisions could not retrospectively create a right which did not exist on 10.03.2026 or bind the Applicants without their consent.
- 4.10 The Applicants relies upon the email dated 25.05.2026, by which the Applicants informed the Respondent about expiry of the Registered License Agreement,



outstanding dues and their unwillingness to continue the arrangement. The Applicants offered waiver of dues of Rs.41,60,298.12/- subject to handing over peaceful and vacant possession within fifteen days.

4.11 The Applicants submitted that continued occupation prevents the Applicants from using the premises, inducting another occupant, entering into fresh terms or otherwise using the property. The Applicants stated that the Corporate Debtor continues to use the premises without a subsisting agreement and without an agreed consideration for such continued occupation.

4.12 The Applicants dispute the contention that the Applicants should only submit or reconcile their monetary claims in the CIRP. The Applicants stated that the principal relief concerns restoration of possession of third-party property and not recovery of pre-CIRP dues. The Applicants also dispute reliance upon CoC commercial wisdom on the question of legal right to occupy the premises.

4.13 The Applicants reiterates that the premises are held by the Applicants under the Registered Assignment of Lease Agreement dated 06.04.2023, whereas the Corporate Debtor's right of occupation arose from the Registered License Agreement dated 18.12.2017 and ended on 18.12.2025.



5. We have heard the Learned Counsel for the Applicants and the Learned Counsel for the Respondent/RP and perused the Application, Reply, Rejoinder and documents. The subject premises are Unit No.104, Ground Floor, VedTranscube Plaza, Vadodara, admeasuring 2,722 sq. ft. The documents relied upon include **Annexure A to Annexure I** and **Annexure R-1 to Annexure R-6**.
6. The Registered License Agreement dated 18.12.2017 was for a fixed period of eight years and, therefore, expired by efflux of time on 18.12.2025. The Corporate Debtor continued in possession thereafter and was admitted into CIRP on 10.03.2026. The Applicants rely, inter alia, upon **Annexure C, Annexure D, Annexure G and Annexure I** in support of expiry and their demand for possession.
7. It is also not disputed that no renewal, extension or fresh executed agreement came into existence after 18.12.2025. The draft agreement forwarded through WhatsApp on 15.09.2025 was not executed. The CoC decisions contained in **Annexure R-3 to Annexure R-6** relate to continuation of business and payment of rent and, by themselves, cannot



constitute a fresh contractual arrangement with the Applicants.

8. At the same time, Section 14(1)(d) of the Code prohibits recovery of any property by an owner or lessor where such property is occupied by or is in the possession of the Corporate Debtor. The moratorium operates from the insolvency commencement date, while Sections 20 and 25 require preservation of the Corporate Debtor and its assets and continuation of its business as a going concern.
9. In *S. Rajendran, RP of M/s. Vasan Health Care Pvt. Ltd. v. Mr. B.M. Anand (HUF) & Ors.*, Company Appeal (AT) (CH) (Insolvency) No.37 of 2022, decided on 11.03.2022, the NCLAT held that possession of premises occupied for the Corporate Debtor's business cannot be recovered during moratorium and that rent payable for such occupation is to be treated as CIRP cost. The said authority has been relied upon by the Respondent/RP.
10. In *Prerna Singh v. Committee of Creditors of Xalta Food and Beverages Pvt. Ltd. & Ors.*, Contempt Case (AT) No.03 of 2020 in Company Appeal (AT) (Insolvency) No.104 of 2019, decided on 17.12.2021, the NCLAT held that Section 14(1)(d)



prevents recovery of possession during moratorium and that amounts due to a person whose rights are affected by such moratorium fall within Regulation 31(b).

11. In *Sudha Apparels Ltd. v. Mr. Ravi Sethia, RP of Future Lifestyle Fashion Ltd. & KPMG India Services LLP*, Company Appeal (AT) (Ins.) No.2026 of 2024, decided on 06.04.2026, the NCLAT held that Section 14(1)(d) applies even where termination preceded commencement of CIRP, so long as the Corporate Debtor remained in possession when CIRP commenced. The said judgment is also relied upon by the Respondent/RP.
12. In the present case, the Corporate Debtor was admittedly in possession of the subject premises on 10.03.2026, when CIRP commenced. Thus, although the contractual term had expired on 18.12.2025, such expiry by itself does not permit recovery of possession during the subsistence of moratorium. The CoC resolutions in **Annexure R-3 to Annexure R-6** neither confer title upon the Corporate Debtor nor override the statutory protection under Section 14(1)(d).



13. The Applicants have claimed **Rs.41,60,298.12PS.**, whereas the Respondent/RP has disputed the amount and stated that it requires verification and reconciliation. Accordingly, no final determination of the entire monetary claim can be made in the present proceedings without such verification. Amounts, if otherwise payable for use of the premises during CIRP, shall be dealt with in accordance with the applicable provisions governing CIRP costs.
14. The email dated 25.05.2026, placed on record as **Annexure I**, records the Applicants' demand for possession and their offer to waive the stated outstanding dues upon surrender within fifteen days. Such communication does not override the statutory bar contained in Section 14(1)(d). The Applicants shall, however, remain at liberty to pursue their remedies for recovery of possession after cessation of moratorium, in accordance with law.
15. Consequently, the prayer for immediate peaceful and vacant possession cannot be granted during the subsistence of moratorium. The prayer for mesne profits, occupation charges, compensation and interest also cannot be finally adjudicated for the entire period without verification of the



underlying claim. The Applicants may place their monetary claim before the RP for verification and treatment in accordance with the Code and applicable Regulations.

16. In view of the foregoing, prayer **(a)** is allowed to the extent of condonation of delay, if any; prayer **(b)** is rejected during subsistence of moratorium; prayer **(c)** is allowed only to the extent that the License Agreement dated 18.12.2017 expired on 18.12.2025, without directing recovery of possession during moratorium; prayer **(d)** is not adjudicated and is left to the statutory claim-verification process; and prayer **(e)** stands disposed of accordingly.

17. Accordingly, **I.A. No.1293(AHM) 2026** is **disposed of** in terms of above order. No order as to cost.

-SD-

SANJEEV SHARMA
MEMBER (TECHNICAL)

Sweta Steno

-SD-

SHAMMI KHAN
MEMBER (JUDICIAL)