

**NATIONAL COMPANY LAW APPELLATE TRIBUNAL  
PRINCIPAL BENCH, NEW DELHI**

**Company Appeal (AT) (Insolvency) No. 900 of 2025**

**[Arising out of the Impugned Order dated 06.06.2025 passed by the Adjudicating Authority, National Company Law Tribunal, Mumbai Bench in I.A. No. 660 (MB) of 2025 in C.P.(IB) No. 3176 (MB)/2019]**

**In the matter of:**

**RELIANCE REALTY LIMITED**

Having office at:  
H Block, 1st Floor,  
Dhirubhai Ambani Knowledge City,  
Navi Mumbai - 400710  
Email: [RCom.CIRP@AMSShardul.com](mailto:RCom.CIRP@AMSShardul.com);  
[devansh.rathi@AMSShardul.com](mailto:devansh.rathi@AMSShardul.com)

.... Appellant

**Versus**

**1. ANUP KUMAR**

Liquidator of Independent TV Limited  
Having his Registration No.  
IBBI/IPA-002/IP-N00333/2017-18/10911  
Having his office at C-708 I-Thum Tower-C,  
Plot No. A-40, Sector 62, Noida,  
Uttar Pradesh - 201301  
Email: [liq.itvl@gmail.com](mailto:liq.itvl@gmail.com)

.... Respondent No.1

**2. M/S. SHREE SAI BABA SHIP BREAKING CO.**

217, Veena Chambers, 21, Dalal Street,  
Fort, Mumbai-400001.  
Email: [tagotralawoffice@gmail.com](mailto:tagotralawoffice@gmail.com)

.... Respondent No.2

**Present:**

For Appellant : Ms. Misha, Mr. Vaijayant Paliwal and Ms. Tanya Chib, Advocates.

For Respondent : Mr. Rachit Mittal, Mr. Parish Mishra, Mr. Kanishk Raj, Mr. Adarsh Srivastava and Mr. Abhishek Sinha, Advocates for R1.

Mr. Anoop Kumar, Advocate for Liquidator.

Mr. Sidhant Kumar, Mr. Parth Yadav, Mr. DM Batra, Mr. Vishal and Mr. Rishi Muraka, Advocates for R2.

**J U D G M E N T**  
**(Hybrid Mode)**

**Per: Barun Mitra, Member (Technical)**

The present appeal filed under Section 61 of Insolvency and Bankruptcy Code 2016 (**'IBC'** in short) by the Appellant arises out of the Order dated 06.06.2025 (hereinafter referred to as **'Impugned Order'**) passed by the Adjudicating Authority (National Company Law Tribunal, Mumbai Bench-IV) in I.A. No. 660 (MB) of 2025 in Company Petition (IB) No. 3176/MB/2019. By the impugned order, the Adjudicating Authority has allowed the Liquidator-Respondent No.1 to remove all moveable assets of the Corporate Debtor lying at the leased DKAC premises and restrained the Appellant from obstructing the Liquidator and successful bidder from accessing these moveable assets. Aggrieved by the impugned order, the present appeal has been preferred by the Appellant.

**2.** Coming to the relevant facts of the case which required to be noticed for deciding the matter before us are as follows:

- The Appellant-Reliance Realty Ltd. had leased the DKAC premises (hereinafter referred to as **"Leased Premises"**) alongwith pre-package infrastructure facilities on 27.11.2017 to the Independent T.V. Ltd.- Corporate Debtor to run it's Direct to Home (**"DTH"** in short) business and for storage of goods/assets following the execution of a Share Purchase Agreement (**"SPA"** in short) on 27.11.2017 alongwith a Draft Agreement for premise use (**"Draft Agreement"** in short). An inventory of

assets at the leased premises, as of 30.11.2017, had purportedly been prepared.

- The Corporate Debtor was required to pay service charges for the use of the leased premises. The Corporate Debtor paid service charges including rental, electricity and maintenance dues till October 2018 and admittedly failed to make timely payments thereafter.
- On 26.02.2020, the Corporate Debtor was admitted into CIRP.
- On 09.12.2020, the assets of the Corporate Debtor were handed over by the ex-CEO of the Corporate Debtor to the Resolution Professional and an inventory list of the assets of 1874 items at the leased premises was prepared and signed.
- On 16.03.2022, the Resolution Professional had visited the leased premises and conducted a floor-wise inventory of the assets and prepared a visit report.
- The Adjudicating Authority on 17.03.2023 directed initiation of liquidation of the Corporate Debtor as a going concern and the Resolution Professional who was appointed for the purpose of conducting CIRP was appointed as the Liquidator.
- A public announcement had been made on 22.03.2023, inviting creditors to file their claims.
- On 16.05.2023, the Liquidator again visited the leased premises and prepared a detailed inventory of the assets and submitted a visit report. The first public e-auction notice was issued on 28.06.2023 followed by subsequent second e-auction notice on 04.08.2023 for sale of the

Corporate Debtor's assets under Regulation 32A of IBBI (Liquidation Process Regulations), 2016 ("**LPR**" in short).

- On 04.07.2023, the Liquidator sent an email to the Appellant informing that his team would visit the leased premises on 05.07.2023 to verify the assets of the Corporate Debtor. The Liquidator had also addressed several letters and emails to the Appellant seeking permission for prospective bidders to inspect the assets of the Corporate Debtor.
- The Appellant in response had raised the issue that the Corporate Debtor had failed to pay rental charges for the premises for the last five years and demanded reimbursement of rental charges alongwith electricity charges before extending further support and also restricted inspection to a maximum of two representatives.
- The Liquidator filed I.A No. 4065 of 2024 which was disposed of on 06.11.2023 by the Adjudicating Authority directing that rent be paid by them based on the Annual Lettable Value (ALV) for the leased premises and instructed Appellant to allow inspections of the assets as verification was required before granting approval for removal of the assets.
- The Liquidator-Respondent No.1 issued third and fourth e-auction notices on 05.09.2024 and 06.10.2024 under Regulation 32(A) of LPR for sale of the assets of the Corporate Debtor on an "as is where is" and "as is what is" basis lying in the leased premises.
- As a sequel to the issue of e-auction Notice, prospective bidders had visited the leased premises for inspection of goods/assets of the Corporate Debtor lying at the premises. On 07.11.2024, the Respondent No.2-M/s

Shree Sai Baba Ship Breaking Company emerged as the Successful Auction Purchaser (“**SAP**” in short) who remitted the full and final payment of Rs 4,18,54,500/-.

- On 08.11.2024, the Appellant issued a notice to Liquidator to vacate the leased premises.
- Following declaration of Respondent No.2 as SAP, the Liquidator issued a Sale Certificate and Possession Memo on 10.12.2024 comprising of 1874 units of assets/inventory of the Corporate Debtor for hand over the said assets.
- On 16.12.2024 a meeting was held between the Appellant and the Liquidator regarding removal/dismantling the assets belonging to the Corporate Debtor from the leased premises.
- On 24.12.2024, the Appellant sent a letter to the Liquidator communicating that they had no objection to the removal of 85 to 90 units of assets belonging to the Corporate Debtor lying in the leased premises. For removal of any other asset from the leased premises, the Liquidator was requested to submit a detailed list of such assets belonging to the Corporate Debtor alongwith proof of ownership of such assets and execution of an indemnity against any damages etc. incurred on the removal/dismantling of the assets.
- On 13.01.2025, the Appellant issued a letter to the Liquidator stating that they had not provided supporting documents to establish the ownership of the assets which have been claimed to have belonged to the Corporate

Debtor and called the Liquidator to have a joint inspection of the assets lying at the leased premises.

- On 21.02.2025, the Liquidator rejected the proposal for joint inspection and instead asked the Appellant to furnish proof of ownership of assets claimed by them which were lying at the leased premises.
- The Appellant issued a letter on 20.03.2025 to the Liquidator stating that they had identified assets belonging to them which were lying in the leased premises on the basis of records maintained in SAP by them. In the said communication it was also pointed out that the Liquidator had failed to furnish proof of assets which had been auctioned to SAP as assets of the Corporate Debtor.
- While the CIRP of the Corporate Debtor was going on, the Appellant had filed IA No. 1342 of 2025 against the Corporate Debtor for recovery of outstanding rental and other dues.
- On 06.06.2025, the Adjudicating Authority passed the impugned order allowing IA No. 660 of 2025 directing the Appellant to allow the Liquidator and the SAP to access the leased premises to dismantle/remove the assets of the Corporate Debtor and not to cause any obstructions.

**3.** Making submissions on behalf of the Appellant, Ms. Misha, Ld. Counsel for the Appellant submitted that the impugned order proceeded on the erroneous presumption that mere possession of assets by the Corporate Debtor in the leased premises was sufficient to establish ownership of those assets in favour of the Corporate Debtor. The Adjudicating Authority had erroneously allowed the Liquidator to remove assets lying at the leased premises which also included the

assets owned by the Appellant and its parent company Reliance Communication Limited (“**RCL**” in short) merely on the presumption that mere possession/legal custody of assets/goods lying at the premises during the CIRP and the liquidation proceedings of the Corporate Debtor is sufficient to establish ownership in favour of the Corporate Debtor. It was also contended that the Adjudicating Authority had disregarded their legitimate objections concerning ownership and possession over the assets belonging to the Appellant.

**4.** It was contended that the various parties to the SPA had also agreed upon the terms and conditions contained in the Draft Agreement for Premise Use. In terms of the Draft Agreement, the leased premises along with the packaged infrastructural facilities/services were leased to the Corporate Debtor by the Appellant. It has been claimed by the Appellant that they had installed their own assets such as Rack Space, Rack Power, Heating, Ventilation and Air Conditioning (HVAC) Security, Remote Hands and Eyes. This Draft Agreement makes it amply clear that the assets belonging to the Appellant/RCL are installed at the premises and were being utilized by the Corporate Debtor. The Adjudicating Authority had wrongly held that the Draft Agreement was only a draft annexed to the SPA and did not accord due cognisance.

**5.** Submission was pressed that the Adjudicating Authority has wrongly allowed 2147 items to be removed from the leased premises though these do not entirely belong to the Corporate Debtor. Submission was pressed that the Liquidator and SAP cannot be allowed to remove the goods from the leased premises which do not belong to the Corporate Debtor since the ownership of these assets have not been credibly substantiated and proved by them.

**6.** The Appellant had also shared the list of inventory/asset belonging to them supported by SAP data. It was submitted that the Liquidator has wrongly raised objections to the evidentiary value of the SAP record by stating that SAP records are internal, editable documents and cannot be relied on proving the ownership of assets. These records are required to be maintained under Section 128 of the Companies Act, 2013 read with Rule 3 of the Companies (Accounts) Rules, 2014 and digitally stored as per statutory mandate, thereby rendering them admissible as evidence.

**7.** It was emphatically asserted that in terms of the statutory provisions of IBC, Section 34(a) provides that third-party owned assets in possession of the Corporate Debtor must be excluded from the liquidation estate. Further, Section 36(a) of IBC states that only such assets over which the Corporate Debtor has ownership rights would fall within the liquidation estate of such Corporate Debtor. Regulations 5 and 6 of the IBBI (Liquidation Process Regulations), 2016 also mandates the Liquidator to prepare a list of assets as on the initiation date of liquidation. The Liquidator was thus duty-bound to conduct an asset-wise title verification before including such assets in the auction. However, no such effort was made. It was required of the Liquidator to furnish proof of ownership of assets to the Appellant as the Appellant was the owner of the leased premises. It is therefore erroneous on the part of the Adjudicating Authority to have shifted the burden of proof towards proving the ownership of assets on the Appellant instead of making the Liquidator liable for verifying the title and ownership of the goods/assets.

8. It was vehemently contended that the Liquidator had failed to prepare a list of assets/inventory of the Corporate Debtor prior to the publication of Auction Notice. The Liquidator had also failed to furnish any document to the Appellant regarding the inventory of assets which had been auctioned off to the SAP. In support of their contention, it was submitted that it is settled law that the official liquidator could not have conferred any better title to the property than what the corporate Debtor in liquidation had. The liquidator cannot pass title to a property when it did not possess the title to sell the property as held by the Hon'ble High Court of Calcutta in ***Jamshedpur Cement Ltd. v Hi-Tech Chemicals Pvt. Ltd., 2011 SCC OnLine Cal 1098***. Therefore, the purported sale of the assets in the leased premises to the SAP was *void ab initio* and cannot be enforced. It was also contended that it was as much the responsibility of the SAP to satisfy themselves of the title and ownership of the goods/assets which had been put under auction and was being sold on "as is where is, as is what is and no recourse basis." It was contended by the Appellant that the SAP had entirely relied on the representation made by the Liquidator regarding ownership of inventory/goods lying at the leased premises without doing due diligence from his own side which therefore cannot be held to be a bonafide purchase. Assailing the impugned order, it was contended that the Adjudicating Authority could not have allowed the Liquidator access into the leased premises and to remove the inventory lying there for hand over to the SAP and distribute the sale proceeds realised out of the assets of the Corporate Debtor to the stakeholders.

9. Refuting the contention raised by the Appellant, it was submitted by Shri Rachit Mittal, Ld. Counsel for the Respondent No.1-Liquidator that the

Adjudicating Authority had correctly allowed IA No. 660 granting permission to the Liquidator to have access to the leased premises to remove the movable assets and properties of the Corporate Debtor and for having correctly restrained the Appellant from causing obstruction to the Liquidator to remove these assets from the property of the Corporate Debtor for the purposes of carrying forward the liquidation of the Corporate Debtor.

**10.** It was also contended that the Appellant does not have the locus to pursue this appeal as it has banked upon the SPA which was executed between the Corporate Debtor and third parties and not with the Appellant which is an entirely different entity altogether. The Appellant has wrongly relied upon the SPA at a time when admittedly they were not a party to the said SPA. Therefore, if at all, anyone stood aggrieved by the impugned order, it is RCL and not the Appellant. However, RCL was currently in liquidation, but the Liquidator of RCL has not raised any dispute with regard to the ownership of the assets/goods lying in the leased premises. Even the Draft Agreement annexed thereto cannot be relied upon as it is an unexecuted, unsigned, undated and an inchoate document.

**11.** It was contended that Section 18(1)(f) of the IBC empowers a Resolution Professional to take control and custody of only those assets over which the Corporate Debtor has ownership rights, as recorded in reliable sources, such as the balance sheet, information utility, depositories, or registries. The Resolution Professional in the instant case had taken over the assets of the Corporate Debtor after initiation of CIRP in terms of Section 18 of the IBC. The Resolution Professional had also received an e-mail dated 24.07.2020 from the erstwhile

management of the Corporate Debtor wherein the ownership of the assets lying in the leased premises was established, basis which Resolution Professional had prepared a list of all the 1874 items, which list was duly countersigned by the erstwhile management of the Corporate Debtor. Furthermore, the financial statement and balance sheet of the Corporate Debtor showed their ownership over these assets. Thus, when liquidation process was initiated, the Liquidator had taken possession of the leased premises in accordance with Section 35 of the IBC and had retained custody of the assets/goods lying therein lawfully throughout the CIRP. Once inventory was found lying in the leased premises and no contrary ownership claims were received, presumption of ownership under Section 36 of the IBC operates in favour of the Liquidator.

**12.** Submission was pressed that no material has been placed on record by the Appellant to rebut the presumption that the assets/inventories lying in the leased premises in the possession of the Liquidator belonged to the Corporate Debtor and not to the Appellant. Under the provisions of the Bharatiya Sakshya Adhiniyam, 2023 (“**BSA**” in short), the burden of establishing the ownership over the property lies on the Appellant, but the Appellant has failed to discharge the burden of proving its ownership over the inventories. In the present case, it was submitted that the Liquidator is right in claiming to be the owner of the assets/inventory lying in the leased premises of which he is in possession, and therefore the burden of proving that he is not the owner rests on the Appellant. The Adjudicating Authority in the impugned order has therefore correctly noted that instead of the Appellant producing purchase memo, asset register, books of accounts or financial statement in support of proving their ownership status, it

is misplaced on the part of the Appellant to seek proof from the Liquidator to substantiate ownership of the assets/goods lying in the leased premises.

**13.** On the SAP documents produced by the Appellant to establish its ownership over the assets in the leased premises, it is contended that such SAP documents are self-created, editable and internal documents which can be created/modified any point of time and as such cannot be relied upon. Besides lacking evidentiary value, the SAP records were never produced before the Adjudicating Authority. Even at this appeal stage, they have failed to prove the ownership of assets as they have not been able to produce relevant invoices supporting the SAP.

**14.** The Appellant had never raised any objection regarding the ownership of the inventories/assets either during the CIRP proceedings or during the liquidation process which amounts to acquiescence to the fact that the property belonged to the Corporate Debtor and not the Appellant. The first time that objection was raised was only after auction process was completed. The entire liquidation process has been carried out in accordance with statutory time-lines and public notices.

**15.** Echoing the contentions raised by the Liquidator, Shri Siddhant Kumar, Ld. Counsel for the Respondent No.2-SAP submitted that they had paid the entire sale consideration of Rs. 4.18 Cr. following which a Sale Certificate and Possession Memo was issued by the Liquidator alongwith inventory of the purchase-assets. However, the Appellant has been preventing the SAP from taking possession of the assets purchased by them on auction by denying them access to the leased premises. The Adjudicating Authority having noticed that

the SAP had paid the full bid amount passed the impugned order correctly directing the Appellant not to obstruct the entry of the Respondents into the leased premises and remove the purchased assets. It was added that no objections had been raised by the Appellant since the inception of insolvency regarding the sale of assets of the goods lying in the leased premises. At no earlier stage, had the Appellant even clearly identified the assets on which it had a claim as an owner. It was pointed out that the Appellant for the first time had raised the issue of proof of ownership of the assets only after the auction sale stood concluded. Hence, the burden of proof to establish ownership of assets therefore clearly fell upon the Appellant which it had failed to prove. The SAP in spite of having made substantial financial investment on account of the consideration paid by them which amount have already been disbursed to the creditors, are being denied access to the auctioned assets which is prejudicially affecting their interests. Such misconduct on the part of the Appellant undermines the integrity and sanctity of the auction process and affects value maximisation of the assets. If such misconduct on the part of the Appellant is allowed, it will erode investor's confidence and defeat the purpose of an efficient and transparent insolvency regime. The Appellant cannot be allowed to derail the auction process. The auction having attained finality, the denial of access to SAP to remove the auctioned assets from the leased premises amounted to misconduct and attracts the provisions of Section 70(1)(b) of the IBC.

**16.** We have duly considered the arguments advanced by the Learned Counsel for the parties and perused the records carefully. The moot issue for our consideration is whether the burden of proof of ownership of the

assets/inventory rested on the Liquidator or on the Appellant in the facts of the present case.

**17.** When we look at the sequence of events, we find that the Corporate Debtor was admitted into CIRP on 26.02.2020, following which the Resolution Professional had made a public announcement to that effect and visited the leased premises on several occasions to verify the assets. It is the claim of the Respondent No. 1-Liquidator that the Resolution Professional had duly verified the ownership of assets lying at the leased premises by getting audit conducted by statutory auditors and had communicated the same to RCL. Thus, RCL which was the signatory to the SPA had an opportunity to furnish their views on the ownership status of the assets. This has been substantiated by email which have been placed on record. The email exchanged between the RP and the management of RCL on 23.07.2020 is as placed below:

*"SACHAN LAW ANALYST LLP<sachanlawanalyst@gmail.com>*

*23 July 2020 at 18:45*

*To: "Nanavaty, Anish - Ext" <anishnanavaty@deloitte.com>, grace.thomas@relianceada.com, "Motwani, Mayur<mamotwani@deloitte.com>, Ramanan.Laxminarain@relianceada.com, rakesh.m.gupta@relianceada.com*

*Cc: Vinod - VSD <vinod@vsda.in>, Anup kumar <cirp.independentTV@synergyipe.com>, Vivek Prakash<vp98765@gmail.com>, suman chakraborty <suman1979@gmail.com>, Independent TV <itv.biz2019@gmail.com>*

*Dear Sir/Madam,*

*It is inform you that the statutory audit for the FY 2018-19 & 2019-20 of M/s Independent TV Ltd. conducted by the statutory auditors M/s VSD & Associates.*

*Therefore, the statutory auditors sought the documents/records pertaining to Reliance Communication Ltd. relating to FY 2017-18 as mentioned in attached letter with this mail.*

*You are requested to provide the information and documents/records as mentioned at the earliest convenience so as to enable us to conduct an audit for the FY 2018-19 & 2019-20 and proceed CIR Proceedings as per the provision of Law.*

*You are requested to provide the information and documents/records as mentioned at the earliest convenience so as to enable us to conduct an audit for the FY 2018-19 & 2019-20 and proceed CIR Proceedings as per the provision of Law.*

*Please find the attachment and provide us the details as earliest.”*

- 18.** The response email from the RCL dated 28.07.2020 is as reproduced below:

*“Grace.Thomas@relianceada.com<Grace.Thomas@relianceada.com>  
28 July 2020 at 13:47*

*To: SACHAN LAW ANALYST LLP <sachanlawanalyst@gmail.com>*

*Cc: "Nanavaty, Anish-Ext" <anishnanavaty@deloitte.com>, "Motwani, Mayur" <mamotwani@deloitte.com>, Viswanath.D@relianceada.com, Ramanan.Laxminarain@relianceada.com, Rakesh.M.Gupta@relianceada.com, Rajendra.Bansal@relianceada.com, Vinod-VSD <vinod@vsda.in>, Anup kumar <cirp.independentTV@synergypipe.com>, Vivek Prakash <vp98765@gmail.com>, sumanchakraborty; <suman1979@gmail.co>, Independent TV <itv.biz2019@gmail.com>;*

*Dear Sir/s,*

*With reference to the trail mail, please note that whatever details / documents could be collated and that were available with RCOM team has been handed over to the ITV management team and the RP team since Nov 2017 and as and when asked for.*

*In the past, I was only an employee director of erstwhile Reliance Big TV - name changed to ITV and is no more the director of ITV. I have been attending to the income tax compliances for RCOM and was not involved in the business or commercial operations / decisions of erstwhile Reliance Big TV/present ITV.*

*On behalf of RCOM, I have put in my best efforts and tried to comply with your/ITV requirements by collating from various sources including accounts/payroll / consolidation/direct and indirect tax team, etc. inspite of the fact that the ITV matter were handled separately by*

*Reliance BigTV team in RCOM who had migrated to new management since the change of hands in Oct / Nov 2017 and the present ITV team. For FY 2017-18 - RCOM management had only facilitated the present ITV management in the audit and return filing compliance process. In FY 2018-19, RCOM had not included ITV accounts in the consolidation of accounts since it did not have any management control of ITV. Please note that none of the persons who were handling ITV matter either from RCOM or ITV end are with the RCOM group now and it is not possible for me to gather or provide any further information. In case of Indirect tax - litigation matters - reported as Contingent liability, these are state related matters and were handled at state levels under the guidance of the then Reliance BIGTV team. In view of attrition/non- availability of manpower at state level and the present lockdown restrictions, RCOM is finding it difficult to collate the requisite data. This, being Indirect tax matters, the present RCOM Indirect tax team is trying to collate / retrieve the soft copies, from the available sources at state level. I have copied Sh. Rajendra Bansal, the Indirect tax head in this mail for any further discussion on the matter, if any.”*

When we see the above response email, we find that no objections are found to have been raised by RCL regarding ownership of assets lying in the leased premises. Nor was any other additional input available with them in this regard.

**19.** It is further the case of the Liquidator that the Resolution Professional during the conduct of CIRP visited the leased premises and prepared a detailed list of assets of the Corporate Debtor of 1874 items which list was duly signed and confirmed by the ex-CEO of the Corporate Debtor. It is also an undisputed fact that the Resolution Professional had taken control and custody of the assets lying in the leased premises as was required of the Resolution Professional in terms of Section 18(1)(f) of the IBC. Till that stage, there is clearly no evidence on record that the Appellant or RCL had raised any objection regarding the ownership of the inventories/assets during the CIRP process.

**20.** Subsequently when the liquidation process was initiated on 17.03.2023, the Liquidator had again visited the leased premises on a few occasions. It is also an undisputed fact that the Liquidator had issued several public notices of auction starting with the 1<sup>st</sup> notice on 28.06.2023. The 2<sup>nd</sup>, 3<sup>rd</sup> and 4<sup>th</sup> public notices for e-auction of sale of Corporate Debtor as going concern were issued on 04.08.2023, 05.09.2024 and 06.10.2024 respectively. Thus, the conduct of e-auction was already in the public domain. The Appellant remained silent during the entire liquidation process on the aspect of ownership of assets lying in the leased premises. It was emphatically asserted that in terms of Section 35(1)(b) and 35(1)(c) of the IBC, the Liquidator is duty bound to take into his custody all assets of the Corporate Debtor under liquidation. The Liquidator had therefore taken possession of the leased premises in accordance with Section 35 of the IBC and had retained custody of the assets/goods lying therein lawfully from the initiation of CIRP and thereafter during liquidation process.

**21.** In such circumstances, when the Appellant did not raise any objection regarding the ownership of the inventories/assets either for such a long period of time starting from the CIRP process till completion of liquidation process, we are inclined to agree with the Adjudicating Authority that there was tacit acquiescence on the part of the Appellant that the property lying in the leased premises belonged to the Corporate Debtor and not to them. Once inventory was found in the leased premises and no contrary ownership claims were received, putting the same under liquidation estate under Section 36 of the IBC operates in favour of the Liquidator.

**22.** The first time any objection was raised by the Appellant with respect to the conduct of the liquidation process was on 18.07.2023 but the objection was not in connection with the ownership of the assets/goods lying in the leased premises by the Appellant but on the grounds of non-payment of rental charges. Since the Appellant had been denying access to the leased premises, the Liquidator had filed IA No. 4065 of 2024. The Adjudicating Authority on 06.11.2023 had allowed the IA No. 4065 of 2024 directing the Appellant not to create any obstruction in the entry of the Liquidator into the leased premises with directions to the Liquidator to pay rent for the premises.

**23.** At this stage we may find it useful to have a look at the orders passed by the Adjudicating Authority on 06.11.2023 to find out if any issue relating to ownership of property was raised by the Appellant. The said order reads as follows:

1. *Mr. Akshay Petkar a/w Mr. Uday Bhaskar Bhatt, Mr. Aniket Malu, Mr. Pranav Shah and Mr. Aditya Nair, Ld. Counsel for the Applicant/Liquidator present. Mr. Rishabh Jaisani i/b Shardul Amarchand Mangaldas & Co., Ld. Counsel for the Respondent present.*
2. *The Counsel for the Liquidator submits that there is no valid rent agreement between the Corporate Debtor and the Respondent. The Respondent is not allowing the Liquidator to visit the premises for inspection of the material there for conducting the auction. For the last three occasions, they sought time for filing reply. Today, both Counsel present.*
3. *The Bench directs the Liquidator to get the ALV from the local Municipal authority. Based on the ALV, the Liquidator should calculate the rent and pay the same to the Respondent within four weeks.*
4. *Meanwhile, the Respondent is directed to allow any prospective bidders along with the Liquidator/his authorised representative to inspect the premises for verifying the material stored in the premises of the Respondent.*
5. *With the above directions, IA-4065/2023 is disposed of.*  
*(Emphasis supplied)*

Thus, from a perusal of the above order, even at this stage of liquidation process, the Appellant did not raise any issue regarding ownership of assets lying in the leased premises but their only objection was on count of unpaid rentals. Further inspite of having full knowledge that auction process is to be conducted for which purpose the Liquidator and prospective bidders are seeking to visit the premises for joint inspection, there was surprisingly no request made by the Appellant to be made a party to the joint inspection. The Appellant proposed joint inspection of the assets lying at the leased premises on 13.02.2025 much after the auction process was concluded. Had they evinced serious concern of asserting their ownership of the assets in the custody of the Liquidator in the leased premises, the expected course of action would have been different than one of simply obstructing the conduct of inspection arising out of the publicly declared auction or simply confining their concerns to non-payment of rental dues.

**24.** Further we notice that the Liquidator has brought on record copy of IA No 1342 of 2025 filed by the Appellant before the Adjudicating Authority claiming payment of outstanding rentals and common maintenance charges. From the pleadings made by the Appellant therein, it again becomes clear that the Appellant was cognisant of the fact that prospective bidders were visiting the leased premises for inspection and verification of assets but even at this stage no mention was made claiming ownership of assets or that they should be made parties to any such inspection. The relevant pleadings are as reproduced below:

*“9. Despite rentals dues being outstanding from October 2018, the Applicant, on the requests of the Respondent, permitted the Respondent to access the CTC Building / DTH Building for the purpose of inspection/ verification by potential bidders of the goods/ assets of ITV lying in the CTC Building / DTH Building on 16 March 2022, 6 February 2023 and 5*

*July 2023. It is pertinent to point out that although the Applicant had not made any demand / claim during the CIRP period of the Corporate Debtor, the Applicant had submitted its claim of Rs. 21.83 crores accrued upto July 2023 to the Respondent, However, on account of the continued failure on part of the Respondent to make payment of rental dues, despite initially allowing visits, the Applicant restricted the entry of the Respondent to the Premises on or around 16 August 2023.”*

**25.** Even there are emails exchanged on 07.02.2024 and 08.06.2024 between the Appellant and the Liquidator wherein the Liquidator has stated that inspection of assets lying in leased premises be allowed by the Appellant as liquidation is a time bound process. Both the emails are reproduced below:

*“Anup kumar <cirp.independent@synergyipe.com>*

**7 February 2024** at 13:06

*To: Vinay Maheshwari <Vinay.Maheshwari@relianceada.com>*

*Dear sir*

*In reference to our previous mail, I further call upon you to please allow liquidator team and valuer to visit and for inspection of assets lying in demised premises being the liquidation is time bound process from delaying the matter value of assets deteriorate day by day which are not befeinited to anyone.*

*.....*

*Meantime it is requested that you allow the liquidator team and valuer to verify the assets lying in the said premises, it is further noted that denial of access to liquidator team to verify the assets is a matter of creating obstruction in liquidation proceeding without lawful means. so please allow and inform us accordingly.”*

*Anup kumar <cirp.independent@synergyipe.com>*

**8 June 2024** at 19:57

*To: Vinay Maheshwari <Vinay.Maheshwari@relianceada.com>*

*Dear Mr. Vinay,*

*This is further to our email dated 07th Feb 2024 requesting you to allow us permission to visit the site.*

*Further, this is to reiterate that the liquidation process is held up for want permission to visit the site, conduct inspection and do the valuation. The Court is viewing the delay quite seriously.*

*Would therefore request you to get us the permission to visit and inspect the site without further delay.”*

**26.** Even at this stage when liquidation process was going on, the Appellant never claimed that any joint inspection be called for deciding on the ownership of assets/inventory lying in the leased premises. It has been contended by the Appellant that they were notified for the first time on 10.12.2024 when they received a list of inventories accompanying the Possession Memo from the Liquidator and sent a communication on 24.12.2024 to the Liquidator for the first time calling for proof of ownership of the assets auctioned off by the Liquidator. Clearly therefore, only after the auction process was completed, that for the first time objection was raised by the Appellant with regard to ownership of the assets/goods lying in the leased premises that some of the goods/assets belonged to them and some to RCL. In such circumstances, when the Appellant has been found to be consistently dormant during the CIRP and liquidation proceedings and not making any claim on the ownership of the assets of the Corporate Debtor, the Adjudicating Authority has not been unreasonable in putting the burden of proof on the Appellant to substantiate their claims over the goods/assets lying in the leased premises.

**27.** The Appellant has however asserted that the assets being liquidated was with material defect in the title thereof and adverted attention to the judgement of the Hon'ble High Court of Calcutta in ***Jamshedpur Cement Ltd. supra*** to contend that such a sale is voidable and can be set aside. We have no quarrel with the proposition of law laid down in the above judgement of the Hon'ble High Court of Calcutta in ***Jamshedpur Cement Ltd. supra*** that the liquidator could

not confer any better title to the property than what the company in liquidation had and that the purchaser is obliged to make his own enquiry as to the title before he proceeds to buy it. However, the facts in that case were different as it involved assignment of lease for which prior permission had to be given by a statutory body which requisite permission was amiss.

**28.** Coming to the basis on which the Appellant has claimed that they need not to prove ownership of the assets lying in the leased premises is the SPA dated 27.11.2017 and Schedule 6 thereof containing the Draft Agreement. When we look at the SPA, which is placed at page 191 of Appeal Paper Book, we find that it is a signed document but the Appellant is not a signatory therein. This fact that the Appellant was not a party to the SPA is an admitted and uncontested fact. We are therefore persuaded to agree with the Respondent No. 1 that if any party should actually have been aggrieved by the impugned order, it should have been the RCL which was the signatory to the SPA but is currently in liquidation. It has been submitted by the Respondent No.1 that though RCL is currently in liquidation, the Liquidator-Respondent No.1 has not received any intimation from the Liquidator of the RCL in this regard claiming ownership of the assets lying in the leased premises.

**29.** This brings us to the Draft Agreement which is placed at page 191 of Appeal Paper Book which is the foundational basis for the Appellant to claim that the Appellant was thereby obligated to provide infrastructural support/inventory/assets towards the fulfilment of its packaged service-related obligations for use of the leased premises. Basis this document, the Appellant claims that they had installed the requisite assets at the leased premises towards

fulfilment of its packaged service-related obligations viz., technical equipment (battery, switches/switch board), air conditioning (HVAC) at the leased premises, which the Appellant was required to maintain for the use of the Corporate Debtor.

**30.** At this stage, it may therefore be constructive to have a look at relevant provisions of the Draft Agreement and Annexure 2 which is as reproduced below:

**“ARTICLE 1  
DEFINITIONS AND INTERPRETATIONS**

*1.1 In this Agreement, unless there is anything repugnant to the subject or context thereof, the expressions listed below shall have the following meanings:*

*h. "Effective Date" means the date on which [o].*

**ARTICLE 3  
TERM 3**

*3.1 Subject to termination provisions as set out in Article 3.2 below, this Agreement shall be effective from the Effective Date and shall remain in force for a period of [o] months from the Effective Date (“Term”).*

**ARTICLE 4  
CHARGES AND PAYMENT**

*4.1 For the use and enjoyment of the Premise, Common Areas and amenities made available within the Premises, the Customer shall pay to Reliance on or before the Due Date, the Service Charges at the mutually agreed rates per Annexure 2 hereto. The Service Charges shall be exclusive of service tax and other applicable taxes and charges including education cess, swatch bharat cess and krishi kalyan cess and the same shall be borne by the Customer; Such charges shall be net of any applicable tax, duty or levy, including but not limited to service tax, if any.”*

**“Annexure 2  
Description of Amenities and Equipment shared at Premises  
Rates/Service Charges**

*DTH building rental costs and consolidated common area maintenance charge*

The rental range in this belt for IT Parks are in the range of Rs. 60-70 Per sq. ft for fitted out space, keeping in mind premium stature of DAKC, have factored in upper part of this range.

Description	Area in Sq. Ft.		Per Sq. Ft. cost (in Rs.)	Amount per month
DTH building	46050	RENT	60	27,62,998
		CAM	8.88	4,08,907
Dish (IDC 2 roof)	1550			68,750
			<b>Total</b>	<b>32,40,655</b>

- Rent escalation:- rentals will be escalated by 15% every 3 years.
- II. Common area maintenance (CAM) cost break up
- Building specific charges, i.e. sub leasing, property tax are factored on the super built up area only, 46,050 sq.ft.
- Annual escalation of CAM is @ 10% due to inflation and minimum wage escalations.

S.No	Cost line item	Per sq ft cost
1	Security	0.61
2	External housekeeping	0.48
3	Medical Centre	0.24
4	Medical Centre	0.61
5	Technical	0.61
6	Wartsila (DG)	1.05
7	HVAC	0.82
8	Concent to operate (MCB)	0.23
9	MIDC Sub leasing charge	1.73
10	NMMC Property Tax	1.25
11	MIDC Water charges	0.43
12	Total	8.07
13	Misc expenses	0.81
	<b>CAM chargeable</b>	<b>8.88</b>

31. When we look at the Draft Agreement, we find that there are no signatures of executants thereto. Besides being an unsigned document there is no effective date of commencement or termination provided therein. Furthermore, both the

SPA and Draft Agreement, at best, merely contemplated service arrangements but does not expressly confer any right of title or ownership over the inventory/assets lying in the leased premises and therefore did not ipso facto establish any enforceable legal rights of the Appellant over the inventories.

**32.** The Draft Agreement does not contain any list of assets of the Appellant lying in the leased premises. It is however the case of the Appellant that they had prepared a list of assets owned by them as of 2017 as placed at page 341 of Appeal Paper Book. The Appellant also stated that in their rejoinder reply they have produced SAP documents before this Tribunal to establish ownership over these assets and that these SAP records are maintained in accordance with Section 128 of the Companies Act, 2013 read with Rule 3 of the Companies (Accounts) Rules, 2014. However, it is the argument of the Liquidator that this list of assets cannot be relied upon as the assets included in the list pertain to common use and lay in the common area of the leased premises located on the roof. The items installed under the Draft Agreement was not for exclusive use of the Corporate Debtor. These assets of common use were not fixed inside the leased premises occupied by the Corporate Debtor and clearly distinct from the assets affixed inside the occupied leased premises where the fixtures were installed by the Corporate Debtor. Beside the fact that the list does not specifically co-relate with items inside the leased premises of the Corporate Debtor, the list prepared by the Appellant was flawed as it was mixed-up with assets purportedly belonging to RCL. Hence, when the Appellant has not even been able to demarcate the items between themselves and RCL and items for common use and those installed inside the leased premises, such a list is

incomplete and lacks foundational basis to establish their ownership status. It is also contended by the Respondent No.1 that SAP documents relied upon by the Appellant cannot be relied upon as these are self-created and internal documents which can be created/modified any point of time. Without going into the merit of whether SAP records can be reliable evidence to validate ownership, it is an undisputed fact that the SAP records were not placed before the Adjudicating Authority. Further, on a pointed query made by this Bench, the invoices mentioned in the SAP record to establish proof of ownership of assets have admittedly not been placed alongwith SAP records before this Hon'ble Tribunal.

**33.** This brings us to the impugned order passed by the Adjudicating Authority. The relevant excerpts of the impugned order is as reproduced below:

*“9.11 It is not in dispute that the Corporate Debtor was occupying the Navi Mumbai Premises on the Insolvency Commencement Date and the Liquidation Commencement Date. Further, the site visit reports dated 11.03.2020, 16.03.2022 and 13.06.2023 are countered only to the extent that those contain only a mere tabulation of all 1874 units/inventory lying at the Navi Mumbai Premises, and it cannot be substituted as proof of ownership of the Corporate Debtor over all such units. The Navi Mumbai Premises have been under lock and key during the CIRP and Liquidation processes, and in the possession and control of the Applicant. Thus, it is evident that the Applicant, as liquidator, holds legal custody of the assets lying at Navi Mumbai Premises. In such a scenario, in a dispute over ownership of movable property lying at Navi Mumbai Premises, the burden of proof rests on the person claiming to be the owner. In simpler terms, the person asserting ownership has to demonstrate that he has a legitimate claim to the property that is in possession of another person. Notably, instead of producing the purchase memo, asset register, books of accounts, or financial statements etc, to prove their ownership on the assets lying at the premises occupied by the Corporate Debtor, Respondent No.1 is demanding the Applicant to furnish those documents. The liquidator is appointed by the Tribunal to manage the affairs of the Corporate Debtor in accordance with the provisions of the Code,*

*Liquidation Process Regulations and the directions of the Tribunal. No person has the right to retain the custody of the Corporate Debtor's assets or demand the liquidator to produce the proof of ownership in respect of those assets, nor can they require the liquidator to execute an indemnity concerning those assets. Requesting ownership documents from the Liquidator, without any valid basis or authority, constitutes an unlawful obstruction of the Liquidator's statutory duties. If the Respondent No.1 or any other person has any claim, right or interest over the assets taken over by the liquidator, they must provide evidence to establish their right or ownership over the assets lying in the premises occupied by the Corporate Debtor and not otherwise."*

*(Emphasis supplied)*

**34.** The Adjudicating Authority in passing the impugned order has not only taken into account the developments in the matter during CIRP and liquidation but also the site-visit reports of the liquidator and the fact that the goods/assets were in the possession and control of the Corporate Debtor. The erstwhile Resolution Professional during the CIRP proceedings had already conducted a fair and transparent examination to ascertain the actual ownership of the assets lying in the leased premises while taking custody and control of the property of the Corporate Debtor. This was not challenged by the RCL or the Appellant during the CIRP. Thereafter also when the Liquidator took control and possession of the goods/assets lying in the leased premises, this was also not objected to by the Appellant until completion of the auction process. The Adjudicating Authority was therefore not off the mark to hold that the onus of proof now lay on the entity which challenged the ownership after conduct of auction.

**35.** The provisions of IBC enjoin the Liquidator to sell the assets of the Corporate Debtor in a manner that would result in maximization in value, lead to quick recovery for the stakeholders and obviate scope for any unnecessary

delay. There is no challenge made to the auction process conducted by the Liquidator and for declaring the SAP to be the highest bidder. In the present case, the assets have already been sold, possession memo prepared and Sale Certificate issued in favour of the SAP by the Liquidator. The Liquidator has already distributed the proceeds of sale in terms of Regulation 42(2) of Liquidation Regulations. That liquidation proceedings have to be completed in a time bound manner and in the shortest possible time is well settled. The present liquidation process has been going on for last two years and now that the process has culminated and Sale Certificate already issued, the liquidation process should not be disrupted and derailed by the Appellant who for no cogent reasons had never agitated the issue of ownership of assets lying in the leased premises. We do not find any infirmity in the impugned order allowing the Liquidator to remove all moveable assets of the Corporate Debtor lying at the leased premises and in restraining the Appellant from obstructing the Liquidator and successful bidder from accessing these moveable assets.

**36.** In view of the foregoing discussions and conclusions, there is no cogent ground for giving any relief to the Appellant. The Appeal is devoid of substance and is dismissed with no costs.

**[Justice Ashok Bhushan]  
Chairperson**

**[Barun Mitra]  
Member (Technical)**

**Place: New Delhi  
Date: 29.10.2025**

Abdul