NATIONAL COMPANY LAW TRIBUNAL
CHANDIGARH BENCH, COURT-I, CHANDIGARH

I.A.(I.B.C) No.1562 of 2024
in
CP (IB) No. 98/Chd/Hry/2022
(Admitted)

Application under Section 60(5) read with section 74(1) and section 14(1)(b) of the Insolvency and Bankruptcy Code, 2016

IN THE MATTER OF I.A(IBC) No. 1562 of 2024:

Sh. Rahul Jindal
Resolution Professional of Samar Estates Private Limited,
109, Surya Kiran Building, KG Marg,
New Delhi-110001.
Email :- Cirp.samarestatesgmail.com **...Applicant**

Vs.

M/s SRV Investments a proprietorship concern
Through its Proprietor Sh. Vinod Baggai,
House No. 87, Sector-7, Panchkula,
Haryana-134109. **...Respondent**

AND IN THE MAIN MATTER OF:

Punjab and Sind Bank
...Financial Creditor

Vs.

Samar Estates Private Limited
...Corporate Debtor

Order delivered on: 13.08.2026

Coram: MR. KHETRABASI BISWAL, HON'BLE MEMBER (JUDICIAL)
MR. SHISHIR AGARWAL, HON'BLE MEMBER (TECHNICAL)

Present:

For the RP/Applicant:	Mr. Aalok Jagga, Advocate Mr. Sahil Lohan, Advocate Mr. Aryaman Jagga, Advocate Mr. Madhav Singhal, Advocate
For the Respondent:	Mr. Animesh Sharma, Advocate

ORDER

The present Application has been filed by Mr. Rahul Jindal, the Resolution Professional of Corporate Debtor i.e M/s Samar Estates Private Limited (hereinafter referred to as **the Applicant**) under section 60(5) read with section 74(1) and section 14(1)(b) of the Insolvency and Bankruptcy Code, 2016 (hereinafter referred to as **the Code**), praying to restrain the Respondent from issuing uncalled and illegal Public Notice thereby encumbering the property of the Corporate Debtor by deliberately giving false, misleading and illegal representation to the public at large asserting its right, which is not contemplated under any provision of the Code. It is further prayed that Public Notice (Annexure A-6) may be kindly set aside and penal proceedings may be instituted against the Respondent under Section 74(1) read with Section 14(1)(b) of the Code and carrying out appropriate proceedings for imposition of fine and imprisonment as provided therein.

2. The facts of the case, as stated in the Application, are summarized as under:

(a) The Corporate Debtor, *M/s Samar Estates Private Limited*, was admitted into CIRP by order dated 12.01.2024 passed by this Tribunal. The Applicant submitted that the Corporate Debtor was developing a real estate project at Sector 20, Panchkula (Haryana) over 21.75 acres. The project was originally licensed on 27.03.2006 by the Director, Town & Country Planning, Haryana under the relevant Act and Rules, later transferred to the Corporate Debtor on 06.08.2007, and subsequently renewed on 15.02.2018.

(b) The Applicant further submitted that the project is mortgaged with a Financial Creditor, which has extended credit facilities and holds a 58.67% share in the Committee of Creditors (CoC). It is further submitted that under Section 18(1)(f) of the Code, the Applicant is duty bound to take control and custody of any asset upon which Corporate Debtor has ownership right, as recorded in the balance sheet of the Corporate Debtor or recorded with any other Registry that records the ownership of the assets.

© The Applicant submitted that the Respondent, a proprietorship concern of the suspended director Vinod Bagai, claimed rights over 8,05,000 sq. ft. based on an alleged MOU (05.04.2003), allotment letter (01.06.2006), and buyer agreement (05.04.2010), and filed a claim of ₹665 crore in Form CA. The Applicant sought supporting documents for the claim, which were not provided, leading to rejection of the claim after due communication. The Applicant further submitted that instead of challenging the rejection before the Tribunal, the Respondent issued a public notice in newspapers claiming rights over the said area and stating that any resolution plan would be subject to its alleged rights, thereby attempting to encumber the Corporate Debtor's assets in violation of Section 14(moratorium). In the said public notice, the suspended Director acting as proprietor of SRV Investment/Respondent, purely with the intent of defeating the process of CIRP, stated that it has a claim over the assets of the CD pertaining to 8,05,000 Sq. Ft and notice is given to the public at large that any EOI/Resolution Plan, which may be intended to be submitted in the CIRP of the CD, pursuant to the invitation of expression of interest issued by the resolution plan, shall be "subject to rights of SRV Investments as per terms of the said MOU dated 05.04.2003 and that will be adjudicated upon by the NCLT/Court as per law."

(d) It is further submitted that the Respondent had no authority to issue such public notice, especially after rejection of its claim. The act is alleged to be malicious, intended to hinder CIRP and discourage prospective resolution applicants by falsely portraying encumbrances on the assets. The Respondent further submitted that at the time of issuing the public notice, no application had been filed by the Respondent challenging the rejection of its claim, and no provision under the Code permits such action. Section 19 application against the suspended director is also stated to be pending.

(e) The Applicant submitted that subsequently, on 09.05.2024, the Respondent filed IA No. 1172 of 2024 challenging the rejection of its claim, which is presently pending. It is argued that in absence of any favorable Order, the Respondent had no jurisdiction to issue the public notice, rendering it illegal and without legal effect, and liable to be set aside. Reference is made to Sections 14 and 74(1) of the Code, asserting that violation of the moratorium by any officer of the Corporate Debtor attracts punishment (3–5 years imprisonment and fine). The Respondent's act of issuing the public notice is alleged to be a deliberate violation, warranting penal action.

(f) It is further submitted that by filing Form CA, the Respondent has admitted that its claim is monetary in nature, not ownership-based. There is no registered document proving ownership over the alleged area; hence, the assets remain with the Corporate Debtor. The public notice is alleged to have been issued solely to frustrate the CIRP and resolution process.

3. Reply of the Respondent is summarized as under:

(a) The Respondent has opposed the present Application as being misconceived, devoid of merit, and a counter to its own pending Application, IA No. 1172 of 2024 filed on 10.05.2024, challenging the rejection of its claim by the Resolution Professional (RP).

(b) The Respondent submitted that pursuant to an MOU dated 05.04.2003, the Respondent, as a financial creditor, provided financial, technical, and infrastructural support for development of approximately 21.75 acres of land at Sector-20, Panchkula. In terms of the said MOU, the Respondent infused ₹67.25 crore between 2003–2007 and, in consideration, became entitled to 33% share of the saleable built-up area, along with additional entitlement from development of Pocket-B. The Respondent submitted that the said entitlement was recognized by the Corporate Debtor through an Allotment Letter dated 01.06.2006 for 8,05,000 sq. ft., and further confirmed by an Apartment Buyer's Agreement dated 05.04.2010, as well as statutory disclosures.

© The Respondent further submitted that upon initiation of CIRP, the Respondent filed its claim in Form CA on 26.01.2024 and a revised claim on

21.02.2024 after addressing discrepancies pointed out by the RP. The RP allegedly rejected the claim without assigning any reasons or prior communication, and the Respondent came to know of such rejection only on 26.04.2024 through the IBBI website. The Respondent filed IA No. 1172 of 2024 on 10.05.2024 seeking acceptance of its claim, which is presently pending adjudication before this Tribunal.

(d) The Respondent further submitted that the public notice dated 24.05.2024 was issued bona fide to protect its pre-existing rights and merely informed the public about the pending dispute and sub-judice proceedings. It is contended that the said notice does not create any encumbrance, nor does it violate the moratorium under Section 14 of the IBC, as it neither transfers nor alienates any asset of the Corporate Debtor. The Respondent further asserts that there is no legal bar under IBC to issue such a notice and that the same is protected under Article 19(1)(a) of the Constitution of India. The allegation that the notice was issued to frustrate the CIRP or deter resolution applicants is denied as baseless. It is also contended that Section 74(1) of the Code is not attracted, as the notice merely states factual position regarding a pending claim and does not amount to violation of the moratorium.

(e) The Respondent submitted that the RP acted arbitrarily in rejecting its claim without due communication, which was only later intimated via email dated 06.07.2024. It is further submitted that the Respondent's substantive rights over 8,05,000 sq. ft. of saleable area remain the core issue pending adjudication in IA No. 1172 of 2024, and the RP cannot unilaterally determine the nature of such rights. Accordingly, the present application seeking action against the Respondent is stated to be baseless, legally untenable, and liable to be dismissed.

Analysis and Findings

5. We have heard the Ld. Counsels appearing on behalf of the parties, have also considered their respective petitions and replies and have gone through the relevant legal provisions of law.

6. In the present case, the Corporate Debtor is undergoing the Corporate Insolvency Resolution Process and the moratorium under Section 14 of the Code is in force. The object of the moratorium is to maintain the status quo of the assets of the Corporate Debtor and to ensure that the CIRP proceeds in a legally supervised environment and free from external interference or coercive actions that may derail the resolution process.

7. In the present case, it is seen that the Respondent had admittedly filed its claim before the Resolution Professional, which came to be rejected by the Resolution Professional. Thereafter, the Respondent invoked its legal remedy by filing an Application i.e I.A. No. 1172 of 2024 on 10.05.2024 before this Tribunal challenging such rejection which was pending adjudication at the time of filing the Present Application. Thereafter on 24.05.2024, the following public notice was issued by the Respondent:

PUBLIC NOTICE

NOTICE IS HEREBY GIVEN to the public at large that SRV Investments, having its office at House No-87, Sector-7, Panchkula, Haryana-134109 had entered into Memorandum of Understanding (MoU) dated 05.04.2003 with Samar Estates Private Limited having its Regd. Office: Ess Vee Apartments, Sector-20, Panchkula, Haryana, regarding development of about 22 acre land in Sector-20, Panchkula in two pockets. Pursuant to said MoU dated 05.04.2003, Samar Estates Pvt Ltd had allotted 8,05,000 sft saleable built-up area to SRV Investments in Group Housing Project-Ess Vee Apartments on the Pocket-A of 14.95 acre, pertaining to License Nos.609-612 of 2006, out of the above said 22 acre land, vide Allotment Letter dated 01.06.2006, against the huge funds infused by SRV Investments from 05.04.2003 to 31.03.2007, as per terms of said MoU dated 05.04.2003.

The Hon'ble NCLT, Chandigarh Bench has vide Order dated 12.01.2024 initiated Corporate Insolvency Resolution Process (CIRP) against Samar Estates Pvt Ltd. The Interim Resolution Professional (IRP) has invited EOI/ Resolution Plan with respect to Samar Estates Pvt Ltd. The IRP has been informed and in complete knowledge of the said MoU dated 05.04.2003 and the subsequent developments.

Therefore, NOTICE IS HEREBY GIVEN to the public at large that any EOI/ Resolution Plan that is intended to be submitted in the CIRP of Samar Estates Pvt Ltd, shall be subject to the rights of SRV Investments as per terms of the said MoU dated 05.04.2003 and that will be adjudicated upon by the Hon'ble NCLT/ Court as per law.

SRV Investments through its Proprietor
House No-87, Sector-7, Panchkula-134109
Mobile: 098140-76845, 098777-77029

The above public Notice was issued by the Respondent after he had filed the I.A No.1172 of 2024. Therefore, once the Respondent had approached this Tribunal seeking adjudication of its alleged rights in I.A. No. 1172 of 2024, the matter fell within the domain of judicial determination. At that stage, the Respondent was duty-bound to await the outcome of the proceedings and abide by the process established under law. However, instead of confining itself to the adjudicatory mechanism, the Respondent proceeded to issue a public notice asserting its rights over the assets of the Corporate Debtor and cautioning third parties, despite the issue being sub judice. This amounts to an attempt to overreach the process of law and it undermines the authority of this Tribunal.

8. The issuance of the impugned public notice, wherein the Respondent has asserted rights over a substantial portion of the project land and has sought to caution prospective resolution applicants that any resolution plan would be subject to its alleged rights, cannot be viewed as issued in a bona fide manner. Such a notice, by its very nature, introduces uncertainty in the minds of prospective resolution applicants and has a direct bearing on the value maximization objective of the CIRP. It effectively projects a cloud over the title and marketability of the assets of the Corporate Debtor, which is impermissible during the subsistence of the moratorium.

9. The contention of the Respondent that the public notice does not create an encumbrance and is merely an exercise of its right to freedom of speech is not tenable in the facts of the present case. While the notice may not amount to a legally enforceable encumbrance in strict terms, its effect is to create a perception of encumbrance or dispute attached to the assets, which is sufficient to deter or prejudice prospective resolution applicants. The CIRP framework does not permit stakeholders to take steps that may indirectly frustrate or impede the CIRP process.

10. This Tribunal is of the considered view that permitting such actions would set a detrimental precedent, enabling aggrieved claimants to issue public communications affecting the CIRP, thereby defeating the very objectives of the Code, including maximization of value and ensuring a time-bound resolution. Accordingly, this Tribunal holds that the issuance of the impugned public

notice by the Respondent, during the pendency of its application challenging rejection of claim, is unjustified, impermissible, and liable to be restrained.

11. In view of the above discussion, the present Application is allowed with the following directions:

(i) The Respondent is hereby restrained from issuing, publishing, or circulating any public notice or communication, in any form whatsoever, asserting rights or creating any impression of rights over the assets of the Corporate Debtor during the pendency of the CIRP.

(ii) The public notice dated 24.05.2024 issued by the Respondent is hereby set aside and shall be treated as having no legal effect.

(iii) The Respondent is directed to issue an appropriate corrigendum/withdrawal notice, in the same newspapers and with similar prominence as the original notice, within 7 days from the date of this Order, clarifying that its claims were subject to adjudication before this Tribunal and that the claims have been dismissed in I.A No. 1172 of 2024 and further that the earlier notice shall not affect the CIRP or the consideration of any resolution plan. A copy of such publication along with an affidavit be submitted to the Registry of this Tribunal within 10 days of this order.

(iv) Insofar as the prayer for initiation of penal proceedings under Section 74(1) of the Code is concerned, this Tribunal, at this stage, refrains from initiating penal action; however, it is made clear that any further violation of the moratorium or interference with the CIRP by the Respondent shall invite appropriate action in accordance with law.

12. This Order is subject to any order to be passed by the Hon'ble NCLAT in pending Company Appeal (AT) (Insolvency) No. 830 of 2026 filed by SRV Investments.

13. Accordingly, **I.A. (I.B.C) No. 1562 of 2024** is **allowed** and **disposed of with the above directions.**

SD/-

SHISHIR AGARWAL
MEMBER (TECHNICAL)

SD/-

KHETRABASI BISWAL
MEMBER (JUDICIAL)