S.No.01

IN THE NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH – II
VC AND PHYSICAL (HYBRID) MODE
ATTENDANCE CUM ORDER SHEET OF THE HEARING HELD ON
10.09.2026 AT 10:30 A.M.

IA (IBC)/545/2025 & IA (IBC) DIS/06/2025 in
Company Petition IB/164/7/HDB/2022
U/s 7 of IBC

IN THE MATTER OF:
Ram Chandran Traders Pvt Ltd **…Petitioner/s**

Vs
Ganga Steel Enterprises Pvt LTd **…Respondent**/s

C O R A M:-
SHRI. RAJEEV BHARDWAJ, HON'BLE MEMBER (JUDICIAL)
SHRI. SANJAY PURI, HON'BLE MEMBER (TECHNICAL)

O R D E R

IA(IBC)(Dis)/06/2025

Present: Mr. Prashant Thakare, Ld. Counsel for the Liquidator/Applicant.

Orders pronounced, recorded vide separate sheets.

In the result, this application is allowed and disposed of.

IA (IBC)/545/2025

Present: Mr. Arjun Suresh, Ld. Counsel for the Applicant.

Mr. Prashant Thakare, Ld. Counsel for the Respondent No.1.

Mr. T. Ravichandran, Ld. Counsel for the Respondents No.3 to 7.

Orders pronounced, recorded vide separate sheets.

In the result, this application is dismissed.

Sd/- Sd/-
MEMBER(T) **MEMBER(J)**

IN THE NATIONAL COMPANY LAW TRIBUNAL

BENCH – II, HYDERABAD

IA/(IBC)/545/2025 In

CP(IB) No. 164/7/HDB/2022

In the matter of M/s Ganga Steel Enterprises Private Limited

Between

Puissant Global Pvt. Ltd.
Trend India Business Centre,
8th Floor, RR Tower, 4 South Phase,
Ambedkar Nagar, SIDCO Industrial Estate,
Chennai, Tamil Nadu - 600032

... Applicant

Vs

1. **Mr Abbay Narayan Manudbane**
   Liquidator of Sri Ganga Steel Enterprises Private Limited
   Office: 201, Shubh Ashish, 129,
   Model Town, Andheri West, Mumbai - 400053

2. **State Industries Promotion Corporation of Tamil Nadu Limited**
   19-A, Rukmani Laksbmipathy Road,
   Egmore, Chennai -600008

3. **Union Bank of India,**
   SAM Branch Hyderabad (erstwhile Andhra Bank)
   239, Union Bank Bhavan,
   Vidhan Bhavan Marg,
   Nariman Point, Mumbai - 400021
   Branch Office: Stressed Asset Management Branch,
   3rd Floor, Andhra Bank Building,
   Sultan Bazar, Koti, Hyderabad- 500095

4. **Indian Overseas Bank, ARM Branch, Chennai**
   Registered Office: Central Office,
   762, Anna Salai, Chennai - 600002
   Branch Office: Asset Recovery Management Branch,
   3rd Floor, Annexe Building,
   762, Anna Salai, Chennai - 600002

5. **Punjab National Bank,**
   Zonal SASTRA Centre,
   Mumbai Address: Plot No. 4, Sector-10,
   Dwarka, New Delhi-110075
   Branch Office: Zonal Sastra Centre,
   5th Floor, Maker Tower,
   E-Wing, Cuffe Parade, Mumbai-400005

6. **Bank of India**
   Head Office: Star House, C-5, G-Block, Bandra Kurla
   Complex, Bandra (East), Mumbai-400051
   Branch Office: No. 826,
   4th Floor, Tarapore Tower,
   Anna Salai, Chennai-600002

7. **State Bank of India**
   Stresses Assets Management Branch
   Address: 5 th floor, rear Block of HMWSSB Compound,
   D No. 6-2-915, Khairatabad Hyderabad - 500004
   Registered and Branch Office: 3rd Floor, IDBI Tower,
   WTC Complex, Cuffe Parade, Mumbai - 400005

... Respondents

Date of Order : 10.09.2026

Coram:

Shri Rajeev Bhardwaj, Hon'ble Member (Judicial)

Shri Sanjay Puri, Hon'ble Member (Technical)

Counsel present:

For the Applicant : Mr. Arjun Suresh, Ld. Counsel
For the Respondent No 1 : Mr. Prashant Thakare, Ld. Counsel
For the Respondent No 2 : Mr. Abhishek Murthy, Ld. Counsel
For the Respondent No 3 to 7 : Mr. T. Ravichandran, Ld. Counsel

Applicant (Puissant Global Pvt. Ltd.)

1. It is submitted that the Application is filed on behalf of Puissant Global Private Limited ("Applicant"), the Successful Resolution Applicant of Splendid Metal Products Limited ("SMPL"), under Section 60(5) of the Insolvency and Bankruptcy Code, 2016, seeking directions against Liquidator of Sri Ganga Steel Enterprises Private Limited ("Corporate Debtor") to effect a successful substitution of the name of the Corporate Debtor with the Applicant, as the primary lessee in the lease agreement dated 18.07.2001 in Plot No. B-20-E, SIPCOT Industrial Complex, Gummidipoondi ("said Property"), in compliance with the terms of the approved resolution plan of SMPL, without payment of any further charges.

2. A registered lease deed dated 18.07.2001 pertaining to the Said Property was executed between the Corporate Debtor (lessee) and the Respondent No. 2 (lessor) for a period of 99 years. Thereafter, the Corporate Debtor was facing issues regarding influx of working capital therefore the Corporate Debtor stopped operating upon the Said Property from financial year 2004-05 onwards. In pursuance thereof, a lease deed was executed between SMPL and the Corporate Debtor with effect from 01.04.2019 for a period of 11 months leasing out the Said Property along with plant and machinery.

3. Further, various loan agreements were executed by SMPL wherein the Said Property along with plant and machinery was mortgaged to the creditors of SMPL wherein the Corporate Debtor stood as a Corporate Guarantor.

4. SMPL was admitted into CIRP. Subsequently, a resolution plan of SMPL in favour of the Applicant was approved by this Tribunal on 08.04.2021. Thereafter, in the approved resolution plan of SMPL, a Memorandum of Understanding dated 03.10.2021 was executed between the Successful Resolution Applicant and the Corporate Debtor, wherein it was mutually agreed that post approval of the resolution plan, a detailed lease agreement would be executed to ensure feasibility and viability of the resolution plan. The relevant clause of the approved resolution plan is extracted herein below for ease of reference:

> 'To ensure continued business operations of the Company and maximization of value ofits assets, once the existing lease period between Company and tltird parties are completed/ expired, it is imperative that such assets including the land, building and plant & machinery continue to be available to Company in the same manner as existing whereby the Company has possession and unfettered right to use such assets. In this regard, the Resolution Applicants sltall enter i11to necessary documentation with the third parties/subsidiaries including (i) Lakshmi Gayatri Industries Private Limited, (ii) Glade Steel Private Limited, (iii) Sltree Ganga Steel Enterprises Private Limited ("Third Party Companies"). who have provided the assets to the Company. In this regard, a Memorandum of Understanding shall be entered into by the Resolution Applicants with Third Party Companies and the Corporate Debtor by on or before the Effective Date, towards the continuation/ extension oflease period from Closing Date based on tlte mutually agreed terms between tlte Third Party Companies and the Resolution Applicant. lt is clarified that the Resolution Professional shall take all necessary steps towards execution including facilitating and coordinating the necessary documents 1 Memorandum of Undertaking to be entered into with Third Party Companies (lessors) and Resolution Applicants for extension of lease for the Corporate Debtor by on or before the Effective Date."

5. In the MoU dated 03.10.2021 it was mutually agreed that post approval of the resolution plan by the Tribunal, a detailed lease agreement will be executed between the Successful Resolution Applicant and the Corporate Debtor. The detailed lease agreement will replace the MoU dated 03.10.2021.

6. Further, in the MoU it is stated that the Successful Resolution Applicant will acquire the Demised Property free and clear of all encumbrances for a period of up to 5 years from the Handover Date of SMPL i.e. 02.05.2022. The Successful Resolution Applicant shall, from the Handover Date until completion of the execution and

implementation of the post-approval lease agreement, pay rent or any other cost as per applicable law. The Applicant asserts that according to the resolution plan and the MoU, SMPL and the Applicant would be entitled to enjoy the Said Property on a long-term basis.

7. Thereafter, a Debenture Trust Deed dated 09.02.2022 was executed between SMPL and the Debenture Holders wherein charge was created upon the Said Property. Additionally, a Deed of Hypothecation dated 29.04.2022 was executed between the Debenture Holders and SMPL upon the plant and machinery installed over the Said Property.

8. Meanwhile, CIRP in respect of the Corporate Debtor was commenced by this Tribunal vide order dated 31.10.2022 in C.P. (IB) No. 164-7-HDB-2022, which thereafter resulted in initiation of the liquidation process vide order dated 28.08.2023.

9. It is contended that the Applicant has, consequently, been deprived of the unencumbered enjoyment of the said Property as provided under the approved resolution plan, causing significant impediments to the operations and revival of SMPL.

10. It is asserted that despite the common lenders of SMPL and the Corporate Debtor having, on umpteen occasions in monitoring committee meetings, stated that the said Property belongs to SMPL and that action was necessitated to execute requisite documents, neither the Liquidator nor Respondent Nos.3-7 took any action, nor was any application moved seeking implementation of the approved resolution plan.

11. It is submitted that if directions for commencement of the dissolution process of the Corporate Debtor are passed before disposal of the present Application, irretrievable injustice would be caused to the Applicant, and such a course would also tantamount to modification of the approved resolution plan of SMPL, which is untenable in law.

12. It is alleged that despite the aforesaid resolution plan and MoU, and despite repeated requests recorded across successive monitoring committee meetings (from the Third Meeting dated 12.07.2022 through the Seventeenth Meeting dated 04.04.2024), the Corporate Debtor/Liquidator neither executed the substitution/lease documentation nor permitted shifting of the Plant & Machinery, notwithstanding that PNB's representative had, in the meeting dated 02.11.2023, stated that infringement of the Applicant's assigned rights would be construed as contempt of court.

13. It is submitted that the Resolution Professional of SMPL, vide letter dated 14.10.2023, informed the Liquidator that lease rentals had been distributed as per the approved resolution plan against claims till the date of CIRP of the Corporate Debtor, and that Sri Ganga Steel Enterprises Pvt Ltd had not lodged any claim for lease rentals, nor challenged non-payment thereof.

14. It is alleged that the Liquidator, vide letter dated 25.10.2023, taking a contrary stand, called upon SMPL to hand over peaceful possession of the land, contending that SMPL was in wrongful and illegal possession, that lease rent of over Rs.38.50 lakhs was due, and that the lease deed stood terminated for non-payment.

15. It is submitted that despite the Liquidator's own email dated 09.02.2024 stating that he would move an appropriate application regarding handing over of possession of the plot given to SMPL, no such application, nor any application for substitution, was ever moved before this Tribunal.

16. It is contended that the Applicant was not a member of the Stakeholders' Consultation Committee of the Corporate Debtor and consequently has no access to its resolutions/discussions concerning the Said Property; it is therefore prayed that Respondent No.1 be directed to place the minutes of such meetings on record.

17. It is prayed that directions be issued against Respondent No.1/Liquidator and Respondent No.2 to take necessary steps, including execution of necessary documentation, for effecting substitution of the Corporate Debtor with the Applicant as the primary Lessee without payment of further charges, and for an ex-parte ad-interim stay of further steps in the liquidation process pending disposal of the Application.

Counter of Respondent No 1 (Liquidator)

18. It is submitted that the said property was originally leased by SIPCOT to the Corporate Debtor under the Lease Agreement dated 11.05.1990, which is the original and only lease agreement in respect of the said property.

19. After obtaining prior consent from SIPCOT, the Corporate Debtor and SMPL entered into a limited sub-lease agreement dated 01.04.2019 for a period of 11 months, at a monthly rent of Rs.75,000/-, in respect of the factory together with the existing Plant and Machinery, including electrical installation, until 28.02.2020.

20. SMPL was obliged to pay the monthly rent and, upon expiration of the term, peacefully and quietly surrender the said property. SMPL failed to pay even a single instalment and, after expiry of the sub-lease, possession was not handed back. The sub-lease was never renewed or extended.

21. SMPL went into CIRP on 04.04.2019 and the said property was wrongfully shown as an asset of SMPL. The sub-lease had already expired on 28.02.2020 and no further extension had been granted. Inclusion of the third party property in the Information Memorandum and resolution plan amounts to gross negligence and had misled the resolution applicant.

22. The Resolution Professional of SMPL entered into the tripartite Memorandum of Understanding dated 03.10.2020 in respect of assets

which did not belong to the Corporate Debtor but had nevertheless been included in the resolution plan. Such conduct also amounts to gross misconduct and serious dereliction of duty and is contrary to Section 25 of the Insolvency and Bankruptcy Code, 2016.

23. Inclusion or treatment of the said property, which was merely sublet to SMPL for 11 months and was never owned by SMPL, is contrary to settled law that a resolution plan cannot deal with third party assets. The Hon'ble Supreme Court in Jaypee Kensington Vs. NBCC, (2021) 1 SCC 494, held that resolution plans must be confined to assets lawfully owned or held by the Corporate Debtor.

24. The MOU dated 03.10.2020 is not legally binding or enforceable against the Corporate Debtor or its Liquidator. No lease deed was ever executed between the Applicant and the Corporate Debtor. In the absence of a duly executed and registered instrument as required under Section 17(1)(d) of the Indian Registration Act, 1908, the MOU does not constitute an instrument of transfer and cannot convey title, leasehold rights or any enforceable interest in the said property.

25. The Applicant's reliance upon the lease agreement dated 18.07.2001 is misplaced, as the said document pertains to a separate and distinct plot. The correct lease deed concerning the present property was executed between SIPCOT and the Corporate Debtor on 11.05.1990.

26. The Applicant was not a party to the original lease deed and there was no novation or registered assignment of the lease. In the absence of a registered tripartite agreement between SIPCOT, the Corporate Debtor and the Applicant, no privity of contract exists between the lessor and the Applicant. Any attempt to seek substitution as the “primary lessee” is legally impermissible.

27. The MOU dated 03.10.2020 was entered into while SMPL was under CIRP. The Resolution Professional of SMPL had no authority to enter into agreements involving third-party assets. The said property

belonged to the Corporate Debtor and was never part of the asset pool of SMPL.

28. The Resolution Professional of the Corporate Debtor issued formal communication bringing to notice that the said property remained in possession of SMPL and that possession had neither been handed over nor rent paid. The lease period had expired on 28.02.2020 and was not renewed or extended. The rental dues as on 31.12.2022 were Rs.33.7 lakhs and, as on 30.06.2023, Rs.36.00 lakhs.

29. The Liquidator appointed Advocate T. V. Ganesan to examine the title deed. The report confirmed that SIPCOT is the Lessor and Sri Ganga Steel Enterprises Pvt. Ltd. is the Lessee under the Lease Agreement dated 11.05.1990 and that the Lease Deed is executed, stamped and registered in accordance with law.

30. Under the sub-lease agreement dated 01.04.2019, SMPL defaulted in payment of rent and overstayed beyond the contractual term without vacating the premises. The conduct establishes SMPL as a defaulter and wrongful occupant. The formal demand notice dated 13.07.2023 sought payment of outstanding rent dues, but no rent payment was received.

31. The alleged debenture deed between SMPL and its debenture holders and the hypothecation deed over the Plant and Machinery installed on the said property are wholly irrelevant and legally ineffective against the Corporate Debtor's title. Without lawful leasehold rights, SMPL cannot create any valid security over the said property.

32. The allegation that the Corporate Debtor's lease was renewed at the time of approval of SMPL's resolution plan is wholly false and unsupported by any document. There exists no renewal deed or agreement and no consent from the Corporate Debtor. Continued unauthorised occupation after expiry of the lease renders SMPL a trespasser and arrears remain due.

33. The Liquidator's position is that the SRA is wrongfully in possession of property owned by the Corporate Debtor and that possession is to be handed over. The action is aimed at repossession and not substitution.

34. The powers of this Tribunal under the IBC are strictly statutory. The proceedings cannot be used to reengineer pre-existing property and lease rights, effectuate novation without consent, rewrite contractual terms, alter lease arrangements or cure procedural and substantive lapses.

35. The Application is baseless, frivolous, vexatious, misconceived and devoid of any bona fides and is an abuse of the process of this Tribunal. The pleadings are founded upon incorrect facts and misrepresentations, suppress material facts and mischaracterise the record. The interlocutory Application therefore deserves to be outrightly dismissed with exemplary costs.

36. Without prejudice, in the event of any transfer, lease or conveyance of Plot No. B-20E, SIPCOT Industrial Complex, Gummidipoondi – 601201, by the Corporate Debtor to any third party, including SMPL or its Resolution Applicant, the same ought to be effected only upon payment of adequate consideration commensurate with the prevailing market valuation or Ready Reckoner rate.

37. Should SMPL or the Resolution Applicant seek to retain or continue occupation of the said property, the same shall be permitted only upon payment of consideration equivalent to the Ready Reckoner value or market value, as determined by a registered valuer, together with all accrued rent and statutory dues payable to the estate of the Corporate Debtor.

38. As per the Lease Agreement dated 01.04.2019, SMPL was liable to pay Rs.75,000/- per month. As per the MOU dated 03.10.2020, the monthly rent was revised to Rs.1,00,000/-. Despite the stipulations

and continued occupation, SMPL and the SRA failed to make payment of the agreed rent.

39. The Liquidator seeks a direction that the outstanding and continuing rent be paid to the Corporate Debtor from 01.04.2019 and that rent as per the MOU dated 03.10.2020 at Rs.1,00,000/- per month be paid until 30.09.2025, or until the property is duly vacated by SMPL, whichever is earlier.

40. It is submitted that no copy of the approved Resolution Plan has been annexed or placed on record with the present interlocutory Application, nor furnished to the Liquidator of the Corporate Debtor. The Applicant may therefore be directed to furnish a complete copy of the approved Resolution Plan to the Respondent/Liquidator.

Counter of Respondent No. 2 (SIPCOT)

41. It is submitted that the present Application is misconceived, legally untenable and not maintainable. The Applicant seeks recognition and substitution of leasehold rights arising out of an allotment made by SIPCOT, governed by the Allotment Order, registered Lease Deed, SIPCOT Regulations and applicable Government policies. The Applicant cannot seek automatic substitution or a direction compelling SIPCOT to recognise a third party as lessee contrary to the contractual conditions governing the allotment.

42. It is stated that the said property was allotted to M/s. Sri Ganga Steel Enterprises Private Limited for 99 years vide Allotment Order dated 09.04.1990 and a registered Lease Deed was executed between SIPCOT and the allottee. SIPCOT subsequently approved the Building Plans and issued a No Objection Certificate permitting mortgage of leasehold rights. The allottee was required to establish and operate the industrial unit and utilise the allotted land exclusively for the approved industrial purpose. During inspections, the unit was found

closed and the land was not being put to use, resulting in Show Cause and Revival Notices for violation of the allotment and lease conditions.

43. It is further stated that the allottee informed SIPCOT that the property had been mortgaged in favour of a Consortium of Banks and that physical possession had been taken over by the Advocate Commissioner. The allottee also informed SIPCOT regarding the CIRP of SMPL and approval of the Resolution Plan in favour of Triterras Holding Pte. Limited jointly with Invent Asset Securitisation and Reconstruction Private Limited. SIPCOT contends that approval of the Resolution Plan does not, by itself, result in automatic transfer, substitution or recognition of leasehold rights in respect of SIPCOT allotted lands.

44. It is contended that any transfer, assignment, substitution or recognition of leasehold rights can be effected only in accordance with the Allotment Order, registered Lease Deed, SIPCOT Regulations, applicable Government Orders and Transfer Guidelines, subject to approval of the competent authority and payment of applicable transfer charges, lease rent, outstanding dues and statutory liabilities. The Applicant cannot claim a better or higher right than that available to the Corporate Debtor and cannot insist upon substitution of its name as lessee as a matter of right. SIPCOT has never recognised any automatic transfer of leasehold rights merely on the strength of an order passed under the IBC.

45. It is asserted by the Respondent No. 2 that the Applicant has not established any legal or contractual right enforceable against SIPCOT and has failed to disclose the repeated opportunities granted to the allottee to revive the industrial unit and comply with the conditions of allotment. The present Application is stated to be devoid of merits, contrary to the contractual rights of SIPCOT and unsupported by the provisions of the IBC, and is liable to be dismissed in limine. The

Respondent No. 2 craves leave to rely upon additional records, documents and submissions at the time of hearing.

Reply of Respondent No.6 (adopted by Respondent Nos.3 to 7)

46. It is stated by Respondent No.6 that Clause 3.7 provided that, for ensuring continued business operations of the Company and maximization of value of its assets, once the existing lease period between the Company and third parties was completed/expired, the assets including land, building and plant and machinery were to continue to be available to the Company in the same manner as existing. Accordingly, after approval of the Resolution Plan, the SRA had to enter into necessary documentation with third parties/subsidiaries including Shree Ganga Steel Enterprises Private Limited.

47. Once the plan is approved, it is the responsibility of the Successful Resolution Applicant, the Applicant herein, to take all necessary steps for implementation of the plan.

48. The allegations levelled in paragraph 7.9 of the application are denied and have nothing to do with Respondents No.3 to 7. It is the responsibility of the Applicant herein to ensure that appropriate steps are taken.

49. It is stated by Respondent No.6 that for effective implementation of the plan, the lease in favour of Shree Ganga Steel Enterprises Pvt. Ltd., inasmuch as the same has been liquidated, needs to be substituted so that the plan approved by this Tribunal in the matter of Splendid Metal Products Limited, now known as Thalaiver Steels, is given appropriate effect.

50. It is further that the plan has not been implemented by the Applicant. In the light of the above, it is prayed that this Tribunal may be pleased to allow the application and pass such other orders which are deemed necessary in the nature and circumstances of the case and thus render justice.

Rejoinder to the Reply of Respondent No.1 (Liquidator)

51. It is submitted by the Applicant that the Memorandum of Understanding dated 03.10.2020 was executed pursuant to the approved Resolution Plan of SMPL, much prior to commencement of CIRP of the Corporate Debtor on 31.10.2022. The MoU was executed by Sri Ganga Steel Enterprises Private Limited, which was not under CIRP at the relevant time, pursuant to the terms of the approved Resolution Plan and towards its implementation. The contractual obligations remain binding in law and the Liquidator cannot disregard or resile from such pre-existing contractual obligations.

52. It is submitted by the Applicant that the Respondent's contention regarding the validity of the MoU, the tripartite Memorandum of Understanding and the property description is wholly misconceived and factually incorrect. The Corporate Debtor executed the sub-lease dated 01.04.2019 and thereafter the MoU dated 03.10.2020 in respect of the same premises and cannot now raise a technical objection regarding property description. The MoU was executed in furtherance of statutory and plan-approved obligations, and refusal to effect substitution in the lease directly obstructs implementation of the approved Resolution Plan of SMPL.

53. It is submitted by the Applicant that the alleged non-payment of rent under the earlier sublease agreement dated 01.04.2019 is misconceived and such alleged pre-CIRP claims stand extinguished upon approval of the Resolution Plan under Section 31 of the Code, as held by the Hon'ble Supreme Court in *Ghanashyam Mishra & Sons*

Pvt. Ltd. v. Edelweiss ARC Ltd., (2021) 9 SCC 657. Refusal to give effect to the MoU and substitution in the lease would result in value erosion of the subject property, render the asset commercially unutilised and defeat the objective of maximisation of value of assets.

54. It is submitted by the Applicant that the preliminary objection regarding lack of jurisdiction is misconceived and contrary to Section 60(5)(c) of the Insolvency and Bankruptcy Code, 2016. This Tribunal has jurisdiction to adjudicate questions of law or fact arising out of or in relation to insolvency resolution or liquidation proceedings. The objections and prayers raised by the Respondent are devoid of merit and are liable to be dismissed.

Rejoinder to the Reply of Respondent No.6

55. It is submitted by the Applicant that the Reply filed by the Respondents substantially supports the Applicant's case, as the Respondents have placed on record Clause 3.7 of the approved Resolution Plan of SMPL, which expressly contemplates execution of documentation with third-party lessors including Shree Ganga Steel Enterprises Private Limited for continuation of lease of land, building, plant and machinery, to ensure continued business operations and maximisation of asset value.

56. It is submitted by the Applicant that the Respondents have admitted that the Resolution Plan required continuation of lease assets from Shree Ganga Steel Enterprises Pvt. Ltd., necessary documentation/MoU was required to be executed, and such MoU was in fact executed. The Respondents have further stated that "for effective implementation of the plan, the lease in favour of Shree Ganga Steel Enterprises Pvt. Ltd. needs to be substituted" so that the approved Resolution Plan is given appropriate effect. Accordingly, the Respondents cannot contend that the Applicant has no enforceable right arising from the MoU or that the Corporate Debtor is not bound by the obligations undertaken thereunder.

57. It is submitted by the Applicant that the Corporate Debtor was not under CIRP at the time of execution of the MoU dated 03.10.2020 and had full legal capacity to voluntarily undertake contractual obligations pursuant to implementation of the approved Resolution Plan of SMPL. The CIRP of the Corporate Debtor commenced only on 31.10.2022, much after execution of the MoU. Accordingly, the MoU constitutes a binding pre-CIRP contractual obligation of the Corporate Debtor, and the Resolution Professional or Liquidator is bound to perform their duties thereunder.

58. It is submitted by the Applicant that, in view of the admissions in Para 2, 3 and 6 of the Reply, the objection of the Respondents to the relief sought by the Applicant is contradictory, self-defeating and legally untenable. Having admitted that the MoU was executed and lease substitution is required to give effect to the approved Resolution Plan, the Respondents cannot oppose the implementation of those obligations. All other contentions inconsistent with the admitted facts are denied as false and misleading. Hence, the Applicant seeks indulgence of this Tribunal to allow the captioned application at the earliest.

Findings and Decision

59. We have heard the learned counsel for the parties and perused the pleadings and documents placed on record.

60. To recapitulate the factual matrix, a registered lease deed dated 18.07.2001 pertaining to the Said Property was executed between the M/s Sri Ganga Steel Enterprises Private Limited, the Corporate Debtor and the Respondent No. 2 for a period of 99 years. Thereafter, the Corporate Debtor was facing issues regarding influx of working capital therefore the Corporate Debtor stopped operating upon the Said Property from financial year 2004-05 onwards.

61. Subsequently, with the prior consent of Respondent No. 2, the Corporate Debtor executed a lease/sub-lease in favour of M/s Splendid Metal Products Limited ("SMPL") with effect from 01.04.2019 for a period of 11 months, in respect of the Said Property along with the plant and machinery. The said lease/sub-lease expired on 28.02.2020.

62. On an application under Section 7 of IBC, filed by Punjab National Bank, the Financial Creditor, SMPL was admitted into CIRP by this Tribunal vide order dated 04.04.2019.

63. During the CIRP of SMPL, a MoU dated 03.10.2020 was executed between the Corporate Debtor, described therein as the "Lessor", and Triterras Holdings Pte. Limited ("THPL"), described as the "Resolution Applicant". The Resolution Professional of SMPL signed the MoU only for taking cognizance thereof and placing it before the Committee of Creditors. The MoU contemplated that, upon approval of the Resolution Plan, a detailed lease agreement would be executed for continuation of the lease arrangement.

64. Thereafter, the joint Resolution Plan of SMPL was approved by this Tribunal vide order dated 08.04.2021 in I.A. No. 981/2020 in C.P. No. 666 of 2018 and was made binding under Section 31 of the Code. The Resolution Plan contemplated continued availability of the land, building and plant and machinery used by SMPL and execution of necessary documentation with third parties, including the Corporate Debtor, for continuation or extension of the lease. However, while approving the Resolution Plan, this Tribunal specifically directed the Resolution Applicant to obtain all necessary approvals required under the applicable law.

65. It is also relevant that, subsequently, vide order dated 21.08.2026 in I.A. (IBC) (Liq.) No. 08 of 2025 in C.P.(IB) No. 666/7/HDB/2018, this Tribunal held that the resolution contemplated under the approved Resolution Plan of SMPL had failed on account of its

non-implementation and, consequently, ordered liquidation of SMPL under Section 33 of the Code.

66. The Final Progress Report[1] of Liquidation of the Corporate Debtor herein, the Liquidator recorded that the Corporate Debtor had leasehold rights in approximately 2.10 acres of land at SIPCOT Industrial Estate, Gummidipoondi, which had been sub-leased by its erstwhile management to SMPL. The report further records that the said land was included in the Resolution Plan of SMPL and subsequently passed on to its Resolution Applicant. At the same time, the Liquidator recorded that the assets of the Corporate Debtor had been "inadvertently included" in the Resolution Plan of SMPL and had issued notices seeking outstanding lease rentals and peaceful possession of the land.

67. The aforesaid record establishes that the Said Property was originally held by the Corporate Debtor and was thereafter made available to SMPL under a limited sub-lease. The subsequent inclusion of the Said Property in the Resolution Plan of SMPL, however, did not by itself confer ownership or any independent leasehold interest upon SMPL or its Resolution Applicant.

68. On perusal of the records, there is no material on record to establish that the requisite consent or approval of SIPCOT was obtained for substitution, assignment or transfer of the leasehold rights in favour of the Applicant, or that the conditions applicable to such transfer were complied with.

69. The allotment and leasehold rights in respect of the Said Property are governed by the applicable Allotment Order, registered Lease Deed, SIPCOT Regulations, Government Orders and Transfer Guidelines. The applicable conditions, inter alia, restrict assignment, sub-letting, transfer or parting with the interest in the allotted property without the requisite consent of Respondent no 2/SIPCOT.

[1] Final Progress Report filed in IA (IBC) No 06 of 2025

70. Significantly, the MoU dated 03.10.2020 itself contemplated execution of a detailed lease agreement after approval of the Resolution Plan. Thus, the MoU cannot, by itself, be treated as having effected a completed transfer, assignment or substitution of the leasehold rights in favour of the Applicant.

71. Further, approval of the Resolution Plan under Section 31 of the Code cannot be construed as dispensing with the statutory or contractual requirements governing the leasehold rights of the Corporate Debtor, including the requirement of requisite SIPCOT approval for assignment, transfer or substitution. The clarification contained in the order approving the Resolution Plan requiring the Resolution Applicant to obtain all necessary approvals assumes significance in this regard.

72. The subsequent failure and non-implementation of the Resolution Plan, as recorded by this Tribunal in its order dated 21.08.2026, and the consequent liquidation of SMPL, further disentitle the Applicant from asserting that the approved Resolution Plan resulted in a completed and subsisting leasehold right in its favour.

73. In view of the above, the Applicant has failed to establish that it acquired any subsisting and enforceable leasehold right in respect of Plot No. B-20(E), SIPCOT Industrial Complex, Gummidipoondi, by virtue of the MoU dated 03.10.2020 or the approved Resolution Plan of SMPL, so as to claim substitution as the primary lessee.

Accordingly, the present application is dismissed.

Sd/-

(SANJAY PURI)
MEMBER (TECHNICAL)

Sd/-

(RAJEEV BHARDWAJ)
MEMBER (JUDICIAL)