



HARYANA REAL ESTATE REGULATORY AUTHORITY PANCHKULA

Website: www.haryanarera.gov.in

Execution No. 2504 of 2023

In

Complaint No. 1253 of 2020

Naresh Kumari

....DECREE HOLDER

VERSUS

Parsvnath Developers Ltd.

.....JUDGMENT DEBTOR

Date of Hearing:- 20.07.2026

Hearing:- 10th

Present: Adv. Sushil Malhotra, counsel for the Decree holder through VC.

Mr. Pranay Malhotra, authorised representative for IRP through VC.

ORDER (NADIM AKHTAR-MEMBER)

1. Mr. Pranay Malhotra appeared before the Authority and submitted that a moratorium has been imposed upon the company and that he has been duly authorised to appear in the captioned complaint by IRP. The authorisation letter in this regard has already been submitted before the Registry. It was further apprised to the Authority that in view of the

moratorium being imposed, no further proceedings can be continued against the judgment debtor at this stage.

2. Learned counsel for the decree holder objected to the appearance of Mr. Pranay Malhotra on the ground that no authorization or authority letter empowering him to represent the Interim Resolution Professional (IRP) has been placed on record. Further, the Authority had already adjudicated a similar matter on merits and passed the final judgment in Complaint No. 260 of 2019, titled *Pawan Kumar Rana v. Prabhu Shanti Real Estate Pvt. Ltd.*, notwithstanding the fact that a moratorium had already been imposed against the builder. It was, therefore, contended that the present execution petition may also be proceeded with and decided on merits despite the subsistence of the moratorium in the purview of section 89 of RERA Act, 2016. It was further submitted that in the present case, possession of the subject unit has already been handed over to the decree holder and the only remaining obligation under the order under execution is the execution and registration of the conveyance deed. Accordingly, it was prayed that the Authority may direct the Interim Resolution Professional (IRP) to execute the conveyance deed in favour of the decree holder.
3. With regard to the first objection related to the unauthorised representation of the IRP, it is observed that Mr. Pranay Malhotra has filed



the authorisation letter, in the captioned complaints vide Dak id 54570 in the registry on 20.07.2026.

4. Learned counsel for the complainant has also raised objection contending that the present execution complaint is maintainable before this Authority, primarily on the ground that the Authority had earlier adjudicated a similar matter on merits and passed a final order in Complaint No. 260 of 2019, titled *Pawan Kumar Rana v. Prabhu Shanti Real Estate Pvt. Ltd.*, vide order dated 28.02.2019 under the purview of Section 89 of RERA Act, 2016.
5. This Authority has verified the factum of the moratorium imposed upon the company. It is an admitted position that vide order dated 30.04.2026 in **CP (IB) No. 468/PB/2024** titled **Sammaan Capital Ltd. Vs. Parsvnath Developers Limited**, the Corporate Debtor, namely Parsvnath Developers Limited, has been admitted into the Corporate Insolvency Resolution Process (CIRP) and a moratorium under Section 14 of the Insolvency and Bankruptcy Code, 2016 has been imposed. The relevant para of the said order is reproduced below for reference:-

"39. Accordingly, moratorium as provided under Section 14 of IBC, 2016 is declared qua the CD and as a necessary consequence thereof the following prohibitions are imposed, which must be followed by all and sundry:

a) The institution of suits or continuation of pending suits or proceedings against the Respondent including execution of any judgment, decree or order in any court of law, tribunal, arbitration panel or other authority;



- b) *Transferring, encumbering, alienating or disposing of by the Respondent any of its assets or any legal right or beneficial interest therein;*
- c) *Any action to foreclose, recover or enforce any security interest created by the Respondent in respect of its property including any action under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002;*
- d) *The recovery of any property by an owner or lessor, where such property is occupied by or in the possession of the Respondent”.*

6. It is pertinent to note that the said order prohibits the institution or continuation of any suits or proceedings against the Corporate Debtor, including execution of any judgment, decree, or order before any court of law, tribunal, arbitration panel, or other authority.
7. Before proceeding further, this Authority would like to go into the details of Section 14 of the Insolvency and Bankruptcy Code, 2016, invoking which the moratorium is imposed. Relevant paragraph of section 14 of IBC is being reproduced below-

“Section 14: Moratorium-

14. (1) Subject to provisions of sub-sections (2) and (3), on the insolvency commencement date, the Adjudicating Authority shall by order declare moratorium for prohibiting all of the following, namely:—

- (a) the institution of suits or continuation of pending suits or proceedings against the corporate debtor including execution of any judgment, decree or order in any court of law, tribunal, arbitration panel or other authority;*
- (b) transferring, encumbering, alienating or disposing of by the corporate debtor any of its assets or any legal right or beneficial interest therein;*



(c) any action to foreclose, recover or enforce any security interest created by the corporate debtor in respect of its property including any action under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002;

(d) the recovery of any property by an owner or lessor where such property is occupied by or in the possession of the corporate debtor.”

8. Bare reading of the above provision makes it very clear that once a moratorium under Section 14 of the Insolvency and Bankruptcy Code, 2016 (IBC) comes into operation against the Corporate Debtor, continuation of coercive proceedings, including execution proceedings, is statutorily prohibited during the subsistence of the Corporate Insolvency Resolution Process (CIRP). Thus, the bar under Section 14 squarely applies to the proceedings pending before this Authority. The Hon'ble Supreme Court in ***Pioneer Urban Land and Infrastructure Ltd. v. Union of India*** (Writ Petition (Civil) No. 43 of 2019) has held that the Insolvency and Bankruptcy Code, 2016 and the Real Estate (Regulation and Development) Act, 2016 are intended to co-exist and provide concurrent remedies to homebuyers. However, in the event of any inconsistency or conflict between the two enactments, the provisions of the IBC shall prevail by virtue of the overriding effect of Section 238 thereof. Further, in ***P. Mohanraj & Ors. v. Shah Brothers Ispat Pvt. Ltd.***, (2021) 6 SCC 258, the Hon'ble Supreme Court authoritatively held that the moratorium under Section 14 prohibits the continuation or institution



of proceedings having a coercive or recovery character against the corporate debtor. The aforesaid principle has also been reiterated in *Anjali Rathi & Others v. Today Homes and Infrastructure Pvt. Ltd.*, 2021 SCC OnLine SC 729, wherein it was recognized that proceedings under RERA cannot be permitted to defeat or circumvent the statutory moratorium under the IBC. In view of the settled legal position, this Authority is of the considered opinion that continuation of the present execution proceedings against the judgment debtor company during the subsistence of the moratorium would be contrary to the mandate of Section 14 of the Insolvency and Bankruptcy Code, 2016. Accordingly, no further coercive steps can be undertaken against the corporate debtor so long as the moratorium remains in force.

9. The insolvency framework under the IBC is a collective proceeding in rem. It seeks resolution of the Corporate Debtor/respondent as a going concern or its liquidation in an orderly manner, balancing the interests of all stakeholders. *Allowing parallel adjudication before this Authority would not only contravene the statutory moratorium but would also defeat the objective of a time-bound and consolidated insolvency process.*
10. The Authority, in its Full Bench decision rendered in Execution Petition No. 681 of 2024, titled *Vishisht Capital Services Pvt. Ltd. v. Parsvnath Developers Ltd.*, has also taken a similar view and, on the basis thereof, disposed of the said execution petition.



11. At this juncture, it would be relevant to place reliance on the case of *Sundaresh Bhatt, Liquidator of ABG Shipyard v. Central Board of Indirect Taxes and Customs*, Civil Appeal No. 7667 of 2021, wherein Hon'ble apex court has elaborately explained the object and scope of moratorium. In paragraph 36, the Hon'ble Court observed as under:

"36. One of the purposes of the moratorium is to keep the assets of the Corporate Debtor together during the insolvency resolution process and to facilitate orderly completion of the processes envisaged under the statute. Such measures ensure the curtailing of parallel proceedings and reduce the possibility of conflicting outcomes in the process."

Further, in paragraph 35, it was held:

"35. When the insolvency process commences, the adjudicating authority is mandated to declare a moratorium on the continuation or initiation of any coercive legal action against the Corporate Debtor."

12. The Hon'ble Supreme Court has also expressly recognised the central statutory role of the Interim Resolution Professional during CIRP. In paragraph 34(iii) of the said judgment, following observation has been made-

"(iii) The NCLT first appoints an interim insolvency professional. The interim insolvency professional is to hold office until a resolution professional is appointed. He further takes control of the Corporate Debtor's operations and collects its financial information from information utilities. The NCLT must also ensure public announcement of the initiation of the corporate insolvency process and call for submission of claims."



13. Therefore, it is evident that continuation of parallel proceedings before any other forum during the subsistence of the moratorium would defeat the very object of the Insolvency and Bankruptcy Code, 2016. Accordingly, this Authority is bound to give full effect to the statutory mandate of Section 14 of the Code and refrain from proceeding further in the present matter during the pendency of the CIRP, in adherence to principle of judicial propriety.
14. This Authority, though vested with adjudicatory powers under the RERA Act, cannot act in derogation of a subsisting moratorium declared by the NCLT. The statutory command under Section 14 of the IBC leaves no scope for continuation of proceedings. In view of the admission of insolvency proceedings against the respondent Corporate Debtor and the moratorium presently in force, this Authority lacks jurisdiction to proceed further in the matter.
15. Accordingly, the present complaint is **disposed of** as it cannot be proceeded with further. Files be consigned to the record room after uploading of this order on the website of the Authority.



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NADIM AKHTAR
[MEMBER]