

**An Interim Resolution Professional is legally entitled to take actual possession and custody of all assets of the corporate debtor under sections 17 and 18 of the IBC**

The NCLAT Chennai in the case of **M. Bhaskaran vs Sandeep Kothari [Company Appeal (AT) (CH) (Ins) No. 402/2025]** dated **September 18, 2025**, has held that there is no concept of symbolic possession under the Insolvency and Bankruptcy Code, 2016 (IBC) once Corporate Insolvency Resolution Process (CIRP) is initiated under section 10 of the IBC. The Tribunal further held that the Interim Resolution Professional is legally entitled to take actual possession and custody of all assets of the corporate debtor under sections 17 and 18 of the IBC.

The case arose out of an order passed by the National Company Law Tribunal (NCLT) by which it directed the promoters to cooperate with the IRP, vacate the premises, and hand over the assets of the corporate debtor. The NCLAT therefore observed that once the CIRP is initiated, the management of the corporate debtor vests in the IRP under section 17 of the IBC. The IRP is legally entitled to take custody and control of all the assets of the corporate debtor under section 18 of the IBC over which it has ownership rights.