NATIONAL COMPANY LAW APPELLATE TRIBUNAL
PRINCIPAL BENCH, NEW DELHI

Company Appeal (AT) (Insolvency) No. 1716 of 2026

IN THE MATTER OF:

HDFC Bank Ltd. ...Appellant(s)

Versus

Sustainable Outreach and Universal Leadership (Soul) Ltd. Represented Through Its Resolution Professional Mr. Vikky Dang & Ors. ...Respondent(s)

Present:

For Appellant(s) : Mr. Sumesh Dhawan, Mr. Asav Rajan, Ms. Tannya Barnwal, Ms. Kashish Chadha, Mr. Devang Shrotriya, Mr. Aditya Shah, Mr. Pranay Duggal, Advocates.

For Respondent(s) : Ms. Mallika Ahluwalia, Advocate for R-1 (IRP).

Mr. Dhananjaya Mishra, Mr. Navneet Dogra, Mr. Ayan Rai, Mr. Ritesh Patnaik, Advocates for R-3 (KIIT).

With

Company Appeal (AT) (Insolvency) No. 1717 of 2026

IN THE MATTER OF:

Sasmita Rani Samanta, (Suspended Director of Sustainable Outreach & Universal Leadership (SOUL) Limited) ...Appellant(s)

Versus

Kalinga Institute of Industrial Technology & Ors. ...Respondent(s)

Present:

For Appellant(s) : Ms. Ruchi Kohli, Sr. Advocate with Ms. Sonakshi Dhiman, Ms. Srishti Mishra, Ms. Bhoomika Ramchandani, Advocates.

For Respondent(s) : Mr. Dhananjaya Mishra, Mr. Navneet Dogra, Mr. Ayan Rai, Mr. Ritesh Patnaik, Advocates for R-1 (KIIT).

Ms. Mallika Ahluwalia, Advocate for R-2 (IRP).

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O R D E R
(Hybrid Mode)

10.09.2026: Having regard to the similarity of issues emerging in both the aforesaid appeals, these appeals are connected and being disposed of by passing this common judgment, with consent of the parties.

2. Company Appeal (AT) (Ins.) No. 1716 of 2026 has been preferred by the Financial Creditor – HDFC Bank Ltd. and Company Appeal (AT) (Ins.) No. 1717 of 2026 has been preferred by Ms. Sasmita Rani Samanta, Suspended Director of the Corporate Debtor against the order dated 21.08.2026 passed by the learned Adjudicating Authority in Intervention Petition No. 6/CB/2026 moved in CP(IB)/32/CB/2025 whereby the intervention application moved by the Respondent - Kalinga Institute of Industrial Technology (KIIT), who claimed itself to be an Operational Creditor of the Corporate Debtor, has been allowed and he has been permitted to intervene in the matter.

3. Shri Sumesh Dhawan, learned counsel for the Appellant in Company Appeal (AT) (Ins.) No. 1716 of 2026 submits that it was on 05.02.2026, this Appellate Tribunal has passed an order in Company Appeal (AT) (Ins.) No.223 of 2026 whereby permission was granted to the Financial Creditor to file an application under Section 12A of the Code after receipt of the amount with the further direction to dispose of the application in accordance with law. The IRP was further directed not to take any further steps till disposal of the application which will be moved under Section 12A of the Code.

4. Learned counsel for the Appellant submits that thereafter the dispute has been settled between the parties and in pursuance of the same, Form FA

was given by the Appellant to the IRP on 26.02.2026 and the IRP in furtherance of the same filed application under Section 12A before the learned Adjudicating Authority on 28.02.2026 and since then proceedings under Section 12A are pending before the learned Adjudicating Authority.

5. He further submits that the only grievance of the Appellant is that despite giving Form FA on 26.02.2026 and filing of the application on 28.02.2026, the proceedings are still pending before the learned Adjudicating Authority and neither the CIRP against the Corporate Debtor is commencing nor the Appellant has recovered any money, having regard to the stay order which was granted by this Appellate Tribunal which was directed to continue till disposal of the application under Section 12A of the Code. Thus, appropriate direction(s) be given to the learned Adjudicating Authority.

6. Ms. Ruchi Kohli, learned senior counsel for the Appellant in Company Appeal (AT) (Ins.) No. 1717 of 2026, submits that the Appellant is the Suspended Director of the Corporate Debtor and has settled the dispute with the Tata Consultancy and also with the HDFC Bank Ltd. (the Appellant in Company Appeal (AT) (Ins.) No. 1716 of 2026), however, despite submission of Form FA and filing of application under section 12 A by the IRP before the learned Adjudicating Authority on 28.02.2026, various dates have been given by the learned Adjudicating Authority for hearing the application moved by the so called Operational Creditor - Kalinga Institute of Industrial Technology (KIIT) and now the application filed by the KIIT for intervention has been allowed which would further delay the proceedings under Section 12A of the Code.

7. It is further submitted that the Operational Creditor was not having any interest so far as proceedings under Section 12A is concerned. Further, the Operational Creditor was heard on many dates and thereafter order has been passed and the apprehension of the Appellant is that by allowing the intervention application of the Intervener, the proceedings before the learned Adjudicating Authority would be further delayed and therefore, the impugned order may kindly be set aside.

8. Learned counsel for the Operational Creditor - Kalinga Institute of Industrial Technology (KIIT) submits that it was in fact on 28.01.2026, the Operational Creditor has filed its claim of the amount of Rs.45 Crore out of which Rs.9 Crore has been admitted and rest were kept under verification. However, the rest of the amount has not been admitted by the IRP and recently the rest of the claim of the Operational Creditor has been rejected against which I.A. No.265 of 2026 has been filed by the Operational Creditor which is pending before the learned Adjudicating Authority for disposal.

9. It is further submitted that the Financial Creditor i.e. HDFC Bank Ltd. has filed its claim of Rs.26 Crores on 31.01.2026 and the Corporate Debtor has settled the dispute amicably with the HDFC Bank Ltd., however, no such settlement has yet taken place with the Operational Creditor. Relying on the law laid down by the Hon'ble Supreme Court in ***Glas Trust Company. LLC Vs Byju Raveendran & Others, (2025)3 SCC 625,*** it is submitted that the procedure has been formulated by the Hon'ble Supreme Court with regard to the disposal of Section 12A application r/w Regulation 30A of the CIRP Regulations, 2016 which required to be followed and after the CIRP initiation order, the proceedings become in *rem* and since the Operational Creditors

claim of about Rs.9 Crores has been admitted, it was a necessary party to the proceedings pending before the learned Adjudicating Authority and nothing wrong has been done by the Adjudicating Authority by allowing its intervention application.

10. Learned counsel for the IRP submits that she will abide by the direction, if any, given by this Appellate Tribunal.

11. Though submissions in detail have been submitted by learned counsel for the parties with regard to passing of the impugned order, admission of claim of the Operational Creditor as also time taken by the Adjudicating Authority in disposing of the application moved by the IRP under Section 12A of the Code r/w Regulation 30A of the CIRP Regulations, 2016, however, crux of the mater appears to be that the Appellants before us are aggrieved by the pendency of the application moved under Section 12A since long. We recall that by the recent amendment made in Section 12A, which was carried out on 22.05.2026 w.e.f. 26.05.2026, an amendment has been incorporated in Sub-section (3) of aforesaid Section 12A, which runs as under:

> *"(3) The Adjudicating Authority shall pass an order under sub-section (1) within a period of thirty days from the date of receipt of the application:*
>
> *Provided that if the Adjudicating Authority has not passed an order within such period, it shall record the reasons for such delay in writing.".*

12. Though the proceedings before us are prior to aforesaid amendment carried out in the Section 12A but the intent behind this amendment may not be ignored by this Appellate Tribunal. When the parties have arrived at an

amicable settlement, it is duty of the Adjudicating Authority and this Appellate Tribunal as well to facilitate and respect that settlement, however, within the four corners of the provisions of the Code and regulations provided therein and also keeping an eye on the law laid down by this Appellate Tribunal and the Hon'ble Supreme Court.

13. We are not entering into the procedure which has been derived by the Hon'ble Supreme Court with regard to the manner by which the Section 12A application would be disposed by the learned Adjudicating Authority but would like to highlight that it is the utmost duty of this Appellate Tribunal and the learned Adjudicating Authority to dispose of the application moved under Section 12A of the Code with utmost expedition. The real intention behind aforesaid amendment also appears to be the same. Thus, without going into the merits and demerits of claims and counter claims and the submissions made by the learned counsel for the parties, we **dispose** of aforesaid appeals with following directions:

(I) The Operational Creditor - Kalinga Institute of Industrial Technology (KIIT), if has not filed the reply yet, would file the same within four working days from today with an advance copy to the Appellant (learned counsel for the Appellant), if the same has not yet been given.

(II) On receiving advance copy of the reply, the Appellant, if so wish, may file their response within next three days.

(III) Learned Adjudicating Authority, after exchange of the pleadings in the manner indicated above, would proceed to decide application under Section 12A r/w Regulation 30A of the CIRP Regulations, 2016 as soon

as possible but not later than thirty days from production of the copy of this order of this Appellate Tribunal.

(IV) We also direct the Operational Creditor to cooperate in the early disposal of the proceedings filed under Section 12A before the learned Adjudicating Authority.

(V) The interim order granted by this Appellate Tribunal vide order dated 05.02.2026 shall remain in operation till the disposal of the application moved by the IRP under Section 12A.

(VI) We further clarify that the Adjudicating Authority shall not accommodate any adjournment requested by any of the party on whatsoever ground on such dates on which the application under Section 12A would be listed before it.

(VII) We further clarify that the learned Adjudicating Authority when passing appropriate order in the proceedings pending before it under Section 12A of the Code would dispose the same strictly in accordance with law without being influenced by any observations made by us.

[Justice Mohammad Faiz Alam Khan]
Member (Judicial)

[Naresh Salecha]
Member (Technical)

Archana/mr