

S.No.1

**IN THE NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH – II
VC AND PHYSICAL (HYBRID) MODE
ATTENDANCE CUM ORDER SHEET OF THE HEARING HELD ON
29.04.2026 AT 10:30 A.M.**

Company Petition IB/142/7/HDB/2025
U/s 7 of IBC

IN THE MATTER OF:

SREI EQUIPMENT FINANCE LIMITED

...Petitioner

AND

SRK INFRACON (INDIA) PRIVATE LIMITED

...Respondent

C O R A M:-

**SHRI. RAJEEV BHARDWAJ, HON'BLE MEMBER (JUDICIAL)
SHRI. SANJAY PURI, HON'BLE MEMBER (TECHNICAL)**

ORDER

Orders pronounced, recorded vide separate sheets. In the result, this Petition is admitted.

Sd/-

MEMBER (T)

Sd/-

MEMBER (J)

**IN THE NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH-II
CP(IB)No. 142/7/HDB/2025**

**IN THE MATTER OF:
SRK Infracon (India)Private Ltd**

BETWEEN

SREI Equipment Finance Limited

Registered Office:

‘Vishwakarma’, 86C, Topsia Road (South),
Kolkata – 700046, West Bengal

Zonal Office:

OM Chambers, 3rd Floor,
D.No. 1-10-74/A/TF, Ward Block-1,
Dwarakadas Colony, Begumpet,
Secunderabad – 500016, Telangana

Represented by:

Mr. Chandra Shekar Rao Madhyannapu
S/o Late Sri Satyanarayana Rao
(Authorised Officer)

... Financial Creditor

AND

SRK Infracon (India)Private Ltd

6-3-665, Flat No. 501, Lumbini Enclave,
Panjagutta, Hyderabad – 500082, Telangana

... Corporate Debtor

Date of Order: 29.04.2026

Coram:

Shri Rajeev Bhardwaj, Hon’ble Member (Judicial)
Shri Sanjay Puri, Hon’ble Member (Technical)

Counsel present:

For the Financial Creditor: Prasoon Das, Advocate
For the Corporate Debtor : Ex-parte

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I. Case of the Applicant:

1. The present Application is being filed by SREI Equipment Finance Limited¹, under Section 7 of the Insolvency and Bankruptcy Code, 2016², seeking initiation of the Corporate Insolvency Resolution Process³ against the SRK Infracon (India) Private Limited⁴.
2. The Corporate Debtor, during the course of its business, approached the Financial Creditor and sought financial assistance to purchase heavy-duty vehicles, to complete its infrastructure projects.
3. Pursuant thereto, the FC had sanctioned an initial loan of Rs. 44,00,00,000/-, vide sanction letters dated 13.12.2019 and 25.06.2020, and the vehicles were held by the bank as a collateral against the loan amounts disbursed. The summary of the total loan sanctioned by the Financial Creditor vide loan agreements dated 13.12.2019 and 25.06.2020 is detailed as follows:

Facility	Agreement No	Agreement Date	Amount (Rs.)
183630	13.12.2019	13.12.2019	2,86,88,000
183631	13.12.2019	13.12.2019	2,89,74,400
183199	13.12.2019	13.12.2019	19,23,37,600
187728	25.06.2020	25.06.2020	19,00,00,000
Total			44,00,00,000

4. Subsequently, the Corporate Debtor defaulted on its payment obligations under the Loan Agreements dated 13.12.2019 and 25.06.2020. Accordingly, SRK Constructions & Projects Pvt. Ltd., vide its letter dated 07.11.2022, sought a restructuring of its existing

¹ The Financial Creditor/FC

² The IBC

³ CIRP

⁴ Corporate Debtor/CD

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outstanding dues from the Financial Creditor, SREI Equipment Finance Limited. Considering this request and the proposed repayment plan along with supporting submissions, the Financial Creditor agreed to restructure the outstanding liabilities, resulting in a restructured loan amount of Rs. 53,02,61,349/-.

5. The terms and conditions governing this restructuring were outlined in the Addendum Sanction Letter dated 18.05.2023 and the Amendment and Supplemental Agreement dated 01.06.2023.
6. The following documents were executed in this regard:
 - a. Agreement dated 13.12.2019 for each of the agreement numbers mentioned above;
 - b. Loan offer letter dated 25.06.2020;
 - c. Amendatory and Supplemental Agreement dated 01.06.2023;
 - d. Addendum Sanction Letter dated 18.05.2023;
 - e. Copy of Deed of Hypothecation;
 - f. Copy of Memorandum of Title Deeds;
 - g. Request Letter by Corporate Debtor dated 7th November, 2022, etc.
7. Thereafter, an event of default occurred in regard to the repayment of the loan amount, thereby attracting Clause 7 of the Addendum Sanction Letter dated 18.05.2023. In terms thereof, the Borrower was required to cure the default within 15 days by payment of the overdue amount along with interest at 18% per annum, failing which the FC became entitled to accelerate the facility and demand the entire outstanding dues, including penal charges, from 31.05.2023 onwards until realization.
8. It is submitted that, since the default was not cured within the stipulated period, the FC, in exercise of its contractual rights, issued a

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Cure Notice dated 26.09.2023 calling upon the Corporate Debtor to clear the overdue amounts within 15 days.

9. Despite the issuance of the cure notice, the default of the CD persisted. Consequently, the Financial Creditor issued a Demand Notice dated 13.10.2023, calling upon the CD to remit the aforesaid overdue amount, along with applicable charges, aggregating to a total sum of Rs. 56,56,12,149 as on 30.09.2023.
10. It is averred that, despite repeated reminders from the Financial Creditor, the Corporate Debtor failed to discharge its liability. The non-payment of dues in terms of the agreed terms and conditions is a clear breach of contract.
11. It is the case of the Financial Creditor, that he issued a demand notice dated 06.08.2024 demanding the repayment of the total outstanding amount as on 05.08.2024 of Rs. 56,08,21,078 (restructured amount), and stating that failure of such payment shall make the Corporate Debtor liable to pay the outstanding original loan amount along with interest thereon, since the Corporate Debtor failed to remit any dues despite the above two notices.
12. Despite multiple requests and demands, the Corporate Debtor has failed to remit any outstanding amount. Consequently, the Financial Creditor has issued a cancellation letter dated 11.11.2024, rescinding the restructuring of the loan agreement dated 18.05.2023.
13. It is submitted that, since the restructuring of loan as per the Amendatory and Supplemental Loan Agreement dated 01.06.2023 was cancelled due to the continued default of the Corporate Debtor, the Corporate Debtor shall now be liable to repay the outstanding amounts as per the Original Loan Agreement i.e., Loan Offer Letter dated 15.11.2018, along with interest and penal charges thereon. Therefore, the total outstanding as on 05.08.2024, is as follows:

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Particulars	Amount (Rs.)
Instalment Overdue Amount	16,75,88,700/-
Principal Outstanding	41,26,32,073/-
Overdue Charges @ 36.50% till 30th June 2024	39,32,26,330/-
Other Charges	6,048/-
Total Amount	97,34,53,151/-

14. In view of the non-payment by the Corporate Debtor pursuant to the above, an Application under Section 7 of the Insolvency and Bankruptcy Code, 2016 read with Rule 4 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 in Form 1 of the said Rules has been filed to initiate Corporate Insolvency Resolution Process against the Corporate Debtor under the Insolvency and Bankruptcy Code, 2016.
15. Respondent has been set **ex-parte** vide order dated 16.04.2026.

II. Findings and Decision:

16. We have heard the Ld. Counsel appearing for the Financial Creditor and perused the documents placed on record.
17. A bare reading of the provision under Section 7 of the IBC shows that in order to initiate CIRP under Section 7, the Applicant is required to establish that there is a financial debt and that a default has been committed in respect of that financial debt. The IBC requires the adjudicating authority to ascertain and record satisfaction in a summary adjudication regarding the occurrence of default before admitting the application.

Existence of Financial Debt:

18. To recapitulate the factual matrix of the case, the Financial Creditor had extended term loan facilities to the Corporate Debtor under loan agreements dated 13.12.2019 and 25.06.2020 aggregating to Rs. 44,00,00,000/-. The disbursement of the said facilities is not in dispute and is duly evidenced by the documents placed on record. The creation of a security interest over the assets of the Corporate Debtor further establishes that the commercial lending transaction has all the attributes of a "financial debt" under Section 5(8) of the IBC.
19. Subsequently, the Corporate Debtor sought restructuring of its existing liabilities, which culminated in execution of the Addendum Sanction Letter dated 18.05.2023 and the Amendatory and Supplemental Agreement dated 01.06.2023, whereby the outstanding dues were restructured at Rs. 53,02,61,349/-.
20. These facts are supported by the documents on record, and have remained uncontroverted. Hence, the existence of a financial debt as defined under Section 5(8) of the IBC is clearly established.

Default of Debt:

21. Despite the aforesaid restructuring, the Corporate Debtor failed to adhere to the revised repayment terms. The record further discloses that, upon continued non-payment, the Financial Creditor invoked Clause 7 of the Addendum Sanction Letter and issued a cure notice dated 26.09.2023, followed by demand notices dated 13.10.2023 and 06.08.2024.
22. However, no payments were forthcoming from the Corporate Debtor. The repeated issuance of notices and absence of compliance clearly demonstrate persistence of default and failure to regularise the account. It is also relevant that, the computation of outstanding dues

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placed on record reflects a total liability of Rs. 97,34,53,151/- as on 05.08.2024, comprising principal, overdue instalments, and contractual charges. The said computation has also gone uncontroverted, the Corporate Debtor having remained *ex parte*, and therefore merits acceptance in the absence of any rebuttal. This constitutes a clear default within the meaning of Section 3(12) of the IBC. Accordingly, the occurrence of default stands established.

Limitation:

23. Insofar as limitation is concerned, though the loan agreements are of 13.12.2019 and 25.06.2020, it is an admitted position on record that the debt stood subsequently restructured under Addendum Sanction Letter dated 18.05.2023 read with Amendatory and Supplemental Agreement dated 01.06.2023. The execution of the said restructuring documents clearly amounts to acknowledgment of liability by the Corporate Debtor within the meaning of Section 18 of the Limitation Act, 1963, thereby giving rise to a fresh period of limitation from the date of such acknowledgment.
24. It is further observed from the record that even after restructuring, the Corporate Debtor failed to adhere to the revised repayment schedule and committed continuing defaults. The cause of action, therefore, is not confined to the original date of default but continues to subsist in view of non-payment of the restructured dues.
25. In such circumstances, the present Application, having been filed on the basis of continuing default and within three years from the date of acknowledgment of liability, i.e., 01.06.2023, under the restructuring documents, is held to be well within the period of limitation.
26. Accordingly, we hereby admit the application under Section 7 of IBC, 2016, declare moratorium for the purposes referred to in Section 14 of

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the Code, with effective from the date of this order with the following directions: -

(A) The Corporate Debtor, M/s. SRK Infracon (India)Private Ltd, is admitted in Corporate Insolvency Resolution Process under section 7 of the Insolvency & Bankruptcy Code, 2016.

(B) This Tribunal hereby prohibits 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; transferring , encumbering, alienating or disposing of by the Corporate Debtor any of its assets or any legal right or beneficial interest therein; any action to foreclose, recover or enforce any security interest created by the Corporate Debtor in respect of its property including any action under Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (54 of 2002); the recovery of any property by an owner or lessor where such property is occupied by or in possession of the corporate Debtor;

(C) That the supply of essential goods or services to the Corporate Debtor, if continuing, shall not be terminated or suspended or interrupted during moratorium period.

(D) Notwithstanding anything contained in any other law for the time being in force, a license, permit, registration, quota, concession, clearances or a similar grant or right given by the Central Government, State Government, local authority, sectoral regulator or any other authority constituted under any other law for the time being in force, shall not be suspended or terminated on the grounds of insolvency, subject to the condition that there is no default in payment of current dues arising for the use or continuation of the license, permit,

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registration, quota, concessions, clearances or a similar grant or right during the moratorium period.

(E) That the provisions of sub-section (1) of Section 14 shall not apply to such transactions as may be notified by the Central Government in consultation with any financial sector regulator.

(F) That the order of moratorium shall have effect from the date of this order till the completion of the Corporate Insolvency Resolution Process or until this Tribunal approves the Resolution Plan under Sub-Section (1) of Section 31 or passes an order for liquidation of Corporate Debtor under Section 33, whichever is earlier.

(G) That the public announcement of the initiation of Corporate Insolvency Resolution Process shall be made immediately as prescribed under section 13 of Insolvency and Bankruptcy Code, 2016.

(H) Accordingly, this Tribunal appoints Mr. Prashant Jain having registration no. IBBI/IPE-0144/IPA-1/2022-23/50008 (AFA valid upto 31.12.2026) located at A501, Shanti Heights, Plot No. 2,3,9B/10, Sector 11, Koparkharine, Thane, Navi Mumbai, Maharashtra ,400709, E-Mail: ipprashantjain@gmail.com, Mobile No. 9322743902. The aforesaid IRP has no disciplinary proceedings pending against her. Proposed IRP filed Form-B issued by the Institute of Insolvency Professional. This information is also available in IBBI Website. Thus, there is compliance of Regulation 7A of IBBI (Insolvency Professionals) Regulations, 2016, as amended. Therefore, the proposed IRP is fit to be appointed as IRP since the relevant provision is complied with and further registry is directed to inform the order of admission of CIRP against the corporate debtor to the concerned parties.

(I) The IRP shall perform all its functions as contemplated, inter-alia, by Sections 17,18, 20 & 21 of the IBC, 2016. It is further made clear that

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all personnel connected with Corporate Debtor, its Promoter or any other person associated with management of the Corporate Debtor are under legal obligation, under Section 19 of IBC, 2016 to extending every assistance and co-operation to the IRP. Where any personnel of the Corporate Debtor, its promoter or any other person required to assist or co-operate with IRP, do not assist or co-operate the IRP is at liberty to make appropriate application to the Adjudicating Authority with a prayer for passing an appropriate order.

(J) The IRP shall be under duty to protect and preserve the value of the property of the Corporate Debtor and manage the operations of the Corporate Debtor as a going concern as a part of obligation imposed by Section 20 of the IBC, 2016. The Financial Creditor is directed to pay an advance of Rs. 1,00,000/- (Rupees One Lakh Only) to the IRP within two weeks from the date of receipt of this order for the purpose of smooth conduct of CIRP and IRP to file proof of receipt of such amount to this Adjudicating Authority along with First progress Report. Subsequently, IRP may raise further demands for interim funds, which shall be provided as per rules.

(K) Registry of this Tribunal is directed to send a copy of this order to RoC, Hyderabad for marking appropriate remarks against the Corporate Debtor on MCA site as being under CIRP.

Accordingly, this Petition is **admitted**.

Sd/-

(SANJAY PURI)
MEMBER (TECHNICAL)

Sd/-

(RAJEEV BHARDWAJ)
MEMBER (JUDICIAL)