

**IN THE NATIONAL COMPANY LAW TRIBUNAL  
DIVISION BENCH, COURT – 1, AHMEDABAD**

ITEM No.301  
IA/440(AHM)2025  
in  
CP(IB) 59 of 2019

**Under Section 60(5) IBC r/w Rule 11 NCLT**

**IN THE MATTER OF:**

Mr. Bijay Murmuria Authorised RP of Sumedha Management Solutions Pvt. Ltd Liquidator of Doshion Pvt. Ltd  
V/s  
Areion Finaserve Pvt. Ltd & Ors

.....Applicant

.....Respondents

ITEM No.302  
IA/1137(AHM)2025  
in  
CP(IB) 59 of 2019

**Under Section 42 r/w 60(5) IBC r/w Rule 11 NCLT**

**IN THE MATTER OF:**

Raj Radhe Finance Limited  
V/s  
Bijay Murmuria Liquidator of Doshin Pvt. Ltd

.....Applicant

.....Respondent

ITEM No.303  
IA/525(AHM)2026  
in  
IA/440(AHM)2025  
in  
CP(IB) 59 of 2019

**Under Section Rule 155 r/w Rule 11 NCLT**

**IN THE MATTER OF:**

Mr. Bijay Murmuria Authorized Insolvency Professional Of Sumedha Management Solutions Pvt. Ltd Liquidator of Doshion Pvt. Ltd  
v/s  
Areion Finservice Private Limited & Ors

.....Applicant

.....Respondents

**Order delivered on: 30/06/2026**

**C O R A M:**

MR. SHAMMI KHAN, HON'BLE MEMBER (J)  
MR. SANJEEV SHARMA, HON'BLE MEMBER (T)

**COMMON ORDER**  
**(Hybrid Mode)**

The case is fixed for pronouncement of order. The common order is pronounced in the open court, vide separate sheet.

SD/-

**SANJEEV SHARMA  
MEMBER (TECHNICAL)**

Sd/-

**SHAMMI KHAN  
MEMBER (JUDICIAL)**

**BEFORE THE ADJUDICATING AUTHORITY  
NATIONAL COMPANY LAW TRIBUNAL  
DIVISION BENCH, COURET- I, AHMEDABAD**

**IA No. 440 (AHM) 2025  
And  
IA No. 1137 (AHM) 2025  
And  
I.A. No. 525 (AHM) 2026  
In  
IA No. 440 (AHM) 2025**

**IA No. 440 of 2025**

*(An application filed under Section 60(5) of the Insolvency and  
Bankruptcy Code, 2016 r.w. Rule 11 of NCLT Rules, 2016.)*

**In the matter of:**

**Mr. Bijay Murmuria Authorized Insolvency Professional of  
SUMEDHA MANAGEMENT SOLUTIONS PRIVATE LIMITED**

Liquidator of Doshion Private Limited

Having Registration No: IBBI/IPE-0020/IPA-1/2022-23/50023

Registered address with IBBI: 8B, Middleton Street,

6A Geetanjali Apartments,

Kolkata, West Bengal, India,

**.... Applicant**

***Versus***

**1. Areion Finserve Private Limited**

Having its registered office at:

BGF -1 Dilkhush Industrial Complex,

GT Karnal Road, Azadpur,

New Delhi – 110033

**2. IDBI Bank Limited**

Ahmedabad Branch,

Opp. Municipal Staff Quarters,

Near Lal Bungalow, C.G. Road,

Ahmedabad-380009

**3. Bank of Baroda**

(Earlier known as Dena Bank)  
Having its office at:  
2nd Floor, Dena Laxmi Building,  
188-A, Ashram Road,  
Navrangpura, Ahmedabad- 380009

**4. Bank of Maharashtra**

Ashram Road Branch,  
Embassy Market, Near Dinesh Hall,  
Ahmedabad – 380009

**5. Gondwana Engineers Limited**

82, Abhyankar Nagar,  
Park Road, Nagpur,  
Maharashtra, India, 440010

**6. Mr. Ashit Dhirajlal Doshi**

103/A, 10th Floor,  
Tirthbhoomi, B/h Law College Ellis bridge,  
Ahmedabad-380006

**7. Mr. Rakshit Dhirajlal Doshi**

103/A, 10th Floor,  
Tirthbhoomi, B/h Law College Ellis bridge,  
Ahmedabad-380006

**8. Raj Radhe Finance Ltd.**

Tilak Raj Complex, 105-106,  
Panchavati Society,  
Ambawadi, Ahmedabad-380006

.... Respondents

**WITH**

**IA No. 1137 of 2025**

*(An application filed under Section 42 read with 60(5)(c) of the  
Insolvency and Bankruptcy Code, 2016 and Rule 11 of NCLT Rules,  
2016)*

**In the matter of:**

**Raj Radhe Finance Limited**

Tilak Raj Complex, 105 - 106,  
Panchavati Society,  
Ambawadi, Ahmedabad – 380006

.... Applicant

**Bijay Murmuria, Liquidator of Doshion Private Limited**

88 Middleton Street,  
64 Geetanjali Apartments,  
Kolkata, West Bengal -700071  
Email Address: [bijay\\_murmuria@sumedhamanagement.com](mailto:bijay_murmuria@sumedhamanagement.com)

.... Respondent

**WITH**

**IA No. 525 of 2026 In IA No. 440 of 2025**

*(Application for amendment under Rule 11 read with rule 155 of  
NCLT Rules, 2016)*

**In the matter of:**

**Mr. Bijay Murmuria Authorized Insolvency Professional of  
SUMEDHA MANAGEMENT SOLUTIONS PRIVATE LIMITED**

Liquidator of Doshion Private Limited  
Having Registration No: IBBI/IPE-0020/IPA-1/2022-23/50023  
Registered address with IBBI: 8B, Middleton Street,  
6A Geetanjali Apartments,  
Kolkata, West Bengal, India,

.... Applicant

***Versus***

**1. Areion Finserve Private Limited**

Having its registered office at:  
BGF -1 Dilkhush Industrial Complex,  
GT Karnal Road, Azadpur,  
New Delhi – 110033

**2. IDBI Bank Limited**

Ahmedabad Branch,  
Opp. Municipal Staff Quarters,  
Near Lal Bungalow, C.G. Road,  
Ahmedabad-380009

**3. Bank of Baroda**

(Earlier known as Dena Bank)  
Having its office at:  
2nd Floor, Dena Laxmi Building,  
188-A, Ashram Road,  
Navrangpura, Ahmedabad- 380009

**4. Bank of Maharashtra**

Ashram Road Branch,  
Embassy Market, Near Dinesh Hall,  
Ahmedabad – 380009

**5. Gondwana Engineers Limited**

82, Abhyankar Nagar,  
Park Road, Nagpur,  
Maharashtra, India, 440010

**6. Mr. Ashit Dhirajlal Doshi**

103/A, 10th Floor,  
Tirthbhoomi, B/h Law College Ellis bridge,  
Ahmedabad - 380006

**7. Mr. Rakshit Dhirajlal Doshi**

103/A, 10th Floor,  
Tirthbhoomi, B/h Law College Ellis bridge,  
Ahmedabad – 380006

**8. Raj Radhe Finance Ltd.**

Tilak Raj Complex, 105 - 106,  
Panchavati Society,  
Ambawadi, Ahmedabad – 380006

.... Respondents

**Order pronounced on: 30.06.2026**

**C O R A M :**

**SH. SHAMMI KHAN, HON'BLE MEMBER (JUDICIAL)**

**SH. SANJEEV SHARMA, HON'BLE MEMBER (TECHNICAL)**

**A P P E A R A N C E:**

For the Applicant :Mr. Kunal Vaishnav, Adv. a. w.  
:Mr. Yuvraj Thakore, Adv., and  
:Mr. Bijay Murmuria, (Liquidator in person)

For the Respondent :Mr. Monaal Davawala, Adv. (**in IA/1137(AHM)2025**)  
:Mr. Monaal Davawala, Adv. (**in IA/440(AHM)2025**)  
:Mr. K. S. Sunil Kumar, Adv. (**in IA/440(AHM)2025**)  
:Ms. Vaishnavi Viswanathan, Adv. for R-5  
(**in IA/440(AHM)2025**)  
:Mr. Arjun Sheth, Adv. a. w.  
:Mr. Jay Parihar, Adv. (**in IA/440(AHM)2025**)  
:Mr. Sanjay Majmudar, PCA a. w.  
:Mr. Vivek Zalavadiya, PCA

**COMMON ORDER**  
**(Per: Bench)**

1. This common order is being passed in the Interlocutory Applications Bearing No. **IA No. 440 of 2025, IA No. 1137 of 2025 and IA No. 525 of 2026** in IA No. 440 of 2025 in the Company Petition CP(IB) No. 59 of 2019. Over the course of proceedings, these IAs came to be filed by the parties, all arising out of or relating to the same set of facts and underlying disputes. In order to avoid multiplicity of orders and in view of the common issues involved, this common order is being passed to dispose of the above-mentioned pending IAs.
2. Pursuant to the order dated 02.12.2025 passed in IA No. 889 of 2025, the necessary amendments have been carried out in IA 440 of 2025. Consequently, the amended **IA No. 440 of**

**2025** has been filed by the Applicant on 12.03.2025, Mr. Bijay Murmuria, Authorised Insolvency Professional of Sumedha Management Solutions Private Limited, in his capacity as the Liquidator of Doshion Private Limited, under Section 60(5) of the Insolvency and Bankruptcy Code, 2016 read with Rule 11 of the National Company Law Tribunal Rules, 2016, seeking the following reliefs:-

- a. *To hold and declare that charge created by Respondent No. 1 vide assignment deed dated 27.10.2023 registered on 30.11.2023 executed between Bank of Maharashtra and Areion Finserve Pvt. Ltd to the extent it relates to the property of the Corporate Debtor (Doshion Private Limited) being House No. 9, Sigma Corporate, behind Rajpath club Bodakdev, Ahmedabad- 380054 is illegal and bad in law;*
- b. *To quash and set aside of assignment deed dated 27.10.2023 registered on 30.11.2023 executed between Bank of Maharashtra and Areion Finserve Pvt. Ltd. to the extent it creates security interest created on the property of Doshion Pvt. Ltd. being house no. 9, Sigma Corporate, behind Rajpath Club, Bodakdev, Ahmedabad- 380054 is illegal and bad in law;*
- c. *To hold and declare that Ahmedabad Property being House no. 9, Sigma Corporate, behind Rajpath Club, Bodakdev, Ahmedabad- 380054 is a part of liquidation estate of the Corporate Debtor;*
- d. *Pass such further and other reliefs as this Hon'ble Tribunal may deem fit and proper in the facts and circumstances of the present case.*

- e. *To hold and declare that charge in favour Raj Radhe Finance Ltd. in pursuance of assignment deed dated 2nd May 2025 executed between Areion Finserve Pvt. Ltd. and Raj Radhe Finance Limited to the extent it relates to the property of the Corporate Debtor (Doshion Private Limited) being House no. 9, Sigma Corporate, behind Rajpath Club, Bodakdev, Ahmedabad- 380054 is illegal and bad in law;*
- f. *To quash and set aside of assignment deed dated 2nd May 2025 executed between Areion Finserve Pvt. Ltd. and Raj Radhe Finance Ltd. to the extent it creates security interest created on the property of Doshion Pvt. Ltd. being house no. 9, Sigma Corporate, behind Rajpath Club, Bodakdev, Ahmedabad- 380054 is illegal and bad in law*

**3. IA No. 1137 of 2025** is filed by the Applicant, Raj Radhe Finance Limited who claims to be the assignee of the debt and security interest originally held by Bank of Maharashtra through Areion Finserve Private Limited in respect of the subject property of the Corporate Debtor, under Section 42 read with Section 60(5)(c) of the Insolvency and Bankruptcy Code, 2016 read with Rule 11 of the NCLT Rules, 2016, seeking admission of its claim in the liquidation process of the Corporate Debtor and other consequential reliefs:

- a. *allow the present application and direct the Respondent Liquidator to admit the claim of AFPL; and/or*
- b. *direct the Respondent Liquidator to allow the applicant to realize the subject property in the manner specified under*

*Section 52 of the Code viz. outside the liquidation proceedings of the Corporate Debtor; and/or*

- c. pending the admission and final hearing of this application, direct the Respondent Liquidator not to include the subject property as part of the liquidation estate of the Corporate Debtor; and/or*
- d. condone the delay caused for the purpose of filing of application by AFPL against rejection of its claim by the Respondent Liquidator; and/or*
- e. In the alternative, restore [IA No. 341 of 2025 to its original file by substituting the applicant herein in place of AFPL in view of the Assignment Agreement dated 2.5.2025; and/or*
- f. Grant any other relief or relief as may deem fit in the interest of justice.*

**4. IA No. 525 of 2026** is filed by the Applicant, Mr. Bijay Murmuria, Authorized Insolvency Professional of Sumedha Management Solutions Private Limited, Liquidator of Doshion Private Limited, under Rule 11 read with Rule 155 of the National Company Law Tribunal Rules, 2016, seeking following reliefs: -

- a. Pass an appropriate order permitting the amendment in IA 440 of 2025 in CP(IB) 59 of 2019 as mentioned in paragraph 4 of present application being as follows: - g. Consequentially, direct the Respondent No. 1/Respondent No. 8 to hand over the original title deed of property of Doshion Pvt. Ltd. being house no. 9, Sigma Corporate, behind Rajpath Club, Bodakdev, Ahmedabad- 380054 to the Applicant liquidator.*
- b. Pass any other order(s) that this Hon'ble Adjudicating Authority deems fit.*

**5.** Before proceeding to adjudicate upon the respective reliefs sought therein, it is considered appropriate to set out the relevant background in brief, so as to facilitate adjudication of the reliefs sought in all the three applications. The Applicant in **IA 440 of 2025** has submitted that: -

5.1. The present Application is filed under Section 60(5) of the IBC, 2016 read with Rule 11 of the NCLT Rules, 2016 seeking quashing of the Assignment Deed dated 27.10.2023 (registered on 30.11.2023) executed between Respondent No. 4 (Bank of Maharashtra) and Respondent No. 1 (Areion Finserve Private Limited), insofar as it pertains to the property of the Corporate Debtor, namely House No. 9, Sigma Corporate, Bodakdev, Ahmedabad.

5.2. It is contended that despite having issued a No Objection Certificate and relinquished its first and exclusive charge over the said property, Bank of Maharashtra purported to assign rights therein in respect of the loan of a related entity, namely Gondwana Engineers Limited. It is further alleged that the Assignment Deed was registered after the liquidation commencement date of the Corporate Debtor, i.e., 03.10.2023.

5.3. It is submitted that insolvency proceedings under Section 7 of the IBC, 2016 were initiated against Doshion Private Limited by IDBI Bank Limited, and the Corporate Debtor was admitted into CIRP vide order dated 31.08.2021 passed by this Tribunal in CP (IB) No. 59 of 2019, whereby

a moratorium under Section 14 of the IBC was imposed. A copy of the said order dated 31.08.2021 is annexed as **Annexure-A.**

5.4. It is submitted that the Corporate Debtor was ordered to be liquidated vide order dated 03.10.2023 passed by this Tribunal in IA No. 769(AHM) of 2021 in CP (IB) No. 59 of 2019, a copy whereof was received on 09.10.2023. Pursuant to the said order, Sumedha Management Solutions Private Limited, IPE (Registration No. IBBI/IPE-0020/IPA-1/2022-23/50023) was appointed as the Liquidator of the Corporate Debtor. A copy of the liquidation order dated 03.10.2023 is annexed as **Annexure-B.**

5.5. It is submitted that the Corporate Debtor purchased the property bearing Sigma-9, House No. 9, Sigma Corporate, Bodakdev, Ahmedabad, from Mr. Ilesha P. Shah on 30.12.2009 for a consideration of Rs 3.56 crore.

5.6. It is further submitted that Respondent No. 4, Bank of Maharashtra, sanctioned a term loan of Rs.3.20 crore to the Corporate Debtor on 07.01.2010 against mortgage of the said property and registered its charge with the ROC. Copies of the mortgage documents and charge registration records are annexed as **Annexure-C.**

5.7. It is submitted that Respondent No. 2, IDBI Bank Limited, sanctioned credit facilities of Rs.75.00 crore and Respondent No. 3, Bank of Baroda (formerly Dena Bank), sanctioned credit facilities of Rs.65.00 crore to the Corporate Debtor. It is further submitted that Respondent

No. 4, Bank of Maharashtra, vide letter dated 10.09.2012, issued a No Objection Certificate for creation of a second charge in favour of Respondent Nos. 2 and 3 over the property of the Corporate Debtor. A copy of the said letter is annexed as **Annexure-D**.

- 5.8. It is submitted that the credit facilities aggregating approximately Rs.140 crore sanctioned by IDBI Bank and Dena Bank were, inter alia, secured by a second pari passu charge over the Sigma-9 property of the Corporate Debtor. It is further submitted that the No Objection Certificate for creation of the said second pari passu charge was issued by Respondent No. 4, Bank of Maharashtra, at the request of the Corporate Debtor.
- 5.9. It is submitted that in 2014, Respondent No. 3, Dena Bank (now Bank of Baroda), vide sanction letter dated 12.09.2014, restructured and sanctioned revised credit facilities aggregating Rs.87.77 crore to the Corporate Debtor under fresh terms and conditions. Similarly, Respondent No. 2, IDBI Bank, vide sanction letter dated 20.08.2014, sanctioned revised credit facilities aggregating Rs.93.48 crore under a new set of terms and conditions.
- 5.10. Pursuant thereto, fresh loan and facility agreements were executed between the Corporate Debtor and the respective banks, and the corresponding charges were registered with the ROC. Copies of the sanction letters, loan agreements, and charge registration documents are annexed as **Annexure-E**.
- 5.11. It is submitted that, as per the information furnished by

Respondent Nos. 6 and 7 vide email dated 30.08.2024 titled "Note on Sigma 9", Respondent No. 4, Bank of Maharashtra, restructured the account of Respondent No. 5, Gondwana Engineering Limited, on 17.03.2015 and included the Sigma-9 property of the Corporate Debtor as an additional security to secure its exposure of Rs. 95.41 crore.

- 5.12. It is further submitted that Respondent Nos. 6 and 7, namely Mr. Ashit Dhirajlal Doshi and Mr. Rakshit Dhirajlal Doshi, were erstwhile directors of the Corporate Debtor and are presently directors of Gondwana Engineering Limited. A copy of the said communication and supporting documents is annexed as **Annexure-F**.
- 5.13. It is submitted that Respondent No. 4, Bank of Maharashtra, issued a No Due Certificate dated 20.03.2015 in favour of the Corporate Debtor in respect of the Sigma-9 property. However, on the same day, the said property was mortgaged in favour of Respondent No. 4 as security for the liabilities of Respondent No. 5, Gondwana Engineers Limited, with the Corporate Debtor acting as guarantor. It is further submitted that the Corporate Debtor and Respondent No. 5 were under common management of Mr. Ashit Dhirajlal Doshi and Mr. Rakshit Dhirajlal Doshi. The relevant documents are annexed as **Annexure-G**.
- 5.14. It is submitted that Respondent No. 3 initiated proceedings under the RDDB Act by filing OA No. 282 of 2017 on 08.05.2017 against the Corporate Debtor, wherein Respondent No. 2 Bank was also a party. The said fact is

reflected in the information furnished by Respondent Nos. 6 and 7 vide email dated 30.08.2024 titled "Note on Sigma 9.

5.15. It is submitted that vide order dated 08.11.2019 passed by the Hon'ble DRT, Ahmedabad in OA No. 282 of 2017, the issue relating to the second charge created in favour of IDBI Bank and Dena Bank (now Bank of Baroda) over the Sigma-9 property was adjudicated and decided in their favour. A copy of the said order dated 08.11.2019 is annexed herewith and marked as **Annexure-H**. The relevant extract thereof is reproduced hereinafter:-

*"I have considered the rival contentions of both the parties and I am of the considered opinion that Dena Bank, now Bank of Baroda shall become the first charge holder of the said property and the Bank of Maharashtra shall become second charge holder for any subsequent loan granted by it. Upon Liquidation of loan of Bank of Maharashtra, the first charge holder, the then consortium of Dena Bank and IDBI Bank being Ind Charge holders automatically stepped into the shoes of first charge holder and any subsequent loan by Bank of Maharashtra on same property would be subservient to the right of Dena Bank (Now Bank of Baroda) and IDBI Bank."*

5.16. It is submitted that Respondent No. 5, Gondwana Engineers Limited, filed Review Application No. 1 of 2020 seeking review of the order dated 08.11.2019 passed in OA No. 282 of 2017, despite not being a party to the said proceedings. The said Review Application is presently pending adjudication. A copy of the Review Application and its pending status as available on the DRT website is annexed as **Annexure-I**. It is further submitted that no stay has been granted on the order dated 08.11.2019 and,

consequently, the findings therein regarding the charge over the Sigma-9 property continue to operate.

- 5.17. That pursuant to the application filed by Respondent No. 2 under Section 7 of the IBC, the Corporate Debtor was admitted into CIRP with effect from 31.08.2021.
- 5.18. It is submitted that Respondent No. 4, Bank of Maharashtra, instituted OA No. 348 of 2021 before the Hon'ble DRT, Nagpur under the RDDB Act for recovery of Rs. 67,35,15,663.64 crore against Respondent No. 5, Gondwana Engineering Limited. The Corporate Debtor, along with Mr. Ashit Dhirajlal Doshi and Mr. Rakshit Dhirajlal Doshi, was also arrayed as a party therein.
- 5.19. The said proceedings are presently pending adjudication before the Hon'ble DRT, Nagpur. It is further submitted that, though the OA refers to "Gondwana Engineering Pvt. Ltd.", the proceedings appear to pertain to Gondwana Engineering Limited, having regard to the identity of the other parties.
- 5.20. It is submitted that on 30.08.2023, Respondent No. 5 (Gondwana Engineers Limited) approached Respondent No. 1 (Aerion Finserve) for financial assistance towards part funding of the OTS amount payable to Respondent No. 4 (Bank of Maharashtra) , aggregating approximately Rs.25 crore, including delayed payment interest. Pursuant thereto, Respondent No. 1 issued a sanction letter dated 14.09.2023 in favour of Respondent No. 5 sanctioning financial assistance of Rs.7 crore. A copy of the sanction letter dated 14.09.2023 is annexed as **Annexure-J**.

- 5.21. It is submitted that pursuant to the liquidation order dated 03.10.2023 passed in IA No. 769 of 2021, liquidation of the Corporate Debtor commenced and a public announcement in Form B was published on 11.10.2023 inviting claims from stakeholders. It is further submitted that Respondent No. 4 (Bank of Maharashtra) did not file any claim before the IRP/RP during the CIRP period or in the liquidation process.
- 5.22. It is pertinent to note that, on 17.10.2023, Respondent No. 1 (Aerion Finserve) registered a CERSAI charge over the Sigma-9 property for a secured amount of Rs.95,41,00,000/-. A copy of the CERSAI registration acknowledgment is annexed herewith and marked as **Annexure-K**.
- 5.23. It is submitted that Respondent Nos. 1 and 4 executed a Registered Assignment Deed dated 27.10.2023, which was registered on 30.11.2023, whereby the rights of Respondent No. 4 were assigned to Respondent No. 1. Pursuant thereto, Gondwana Engineers Limited filed Form CHG-1 with the ROC on 06.12.2023 for registration of the charge in favour of Respondent No. 1. A copy of the Registered Assignment Deed and the ROC charge registration documents are annexed as **Annexure-L** and **Annexure-M**, respectively.
- 5.24. The Registrar of Companies issued a Certificate of Registration of Modification of Charge on 15.02.2024 pursuant to the Registered Assignment Deed dated 27.10.2023 executed between Bank of Maharashtra and

- Areion. A copy of the said certificate is annexed herewith and marked as **Annexure-N**.
- 5.25. It is submitted that Respondent No. 1 (Aerion FinServe) filed its claim before the Applicant Liquidator on 06.07.2024. The said claim was rejected vide email dated 15.07.2024. Thereafter, Respondent No. 1 addressed a letter dated 16.08.2024 to the Applicant, which was forwarded by email on 26.08.2024. Copies of the claim, rejection communication, and the said letter are annexed as **Annexure-O**. The Applicant Liquidator duly replied to the said letter, and a copy of the reply is annexed as **Annexure-P**.
- 5.26. It is submitted that vide order dated 21.06.2024 passed in IA No. 63 of 2021 and IA No. 94 of 2021, this Hon'ble Tribunal directed Respondent No. 5 (Gondwana Engineers Limited) to vacate the Sigma-9 property of the Corporate Debtor. Despite being aware of the said order, Respondent Nos. 5 to 7 facilitated registration of charge in favour of Respondent No. 1 on the basis of the Assignment Deed dated 27.10.2023, although the charge of Bank of Maharashtra stood extinguished pursuant to the No Objection Certificate dated 20.03.2015 and the assignment was effected after commencement of CIRP and liquidation of the Corporate Debtor. Copies of the relevant orders are annexed as **Annexure-Q**.
- 5.27. It is submitted that the impugned Assignment Deed has resulted in creation of an illegal charge over the property of the Corporate Debtor, adversely affecting value

maximization of the asset during liquidation. The Applicant, therefore, seeks the necessary reliefs from this Hon'ble Tribunal as prayed for herein.

- 5.28. It is submitted that the Sigma-9 property undisputedly belongs to the Corporate Debtor and, in view of the DRT order dated 08.11.2019 in OA No. 282 of 2017, which remains unstayed, the charge over the property stands in favour of IDBI Bank and Bank of Baroda and not Bank of Maharashtra.
- 5.29. The said secured creditors (IDBI and BoB) have relinquished their security interest to the liquidation estate under Section 52 of the IBC. It is further submitted that Bank of Maharashtra did not file any claim during the CIRP and no claim of Bank of Maharashtra was processed or admitted by the erstwhile Resolution Professional.
- 5.30. That pursuant to the liquidation order dated 03.10.2023 (copy received on 09.10.2023), the Applicant, in compliance with Section 33(1)(b)(iii) of the IBC read with Regulation 12(1) of the IBBI (Liquidation Process) Regulations, 2016, published Form B on 11.10.2023 in *Business Standard* (English – All Edition) and *Sandesh* (Ahmedabad Edition), where the registered office of the Corporate Debtor is situated, inviting claims from creditors, employees, workmen and other stakeholders. The liquidation commencement date was 03.10.2023 and the last date for submission of claims as specified in the public announcement was 08.11.2023.

- 5.31. It is submitted that Respondent No. 1 filed its claim on 06.07.2024, well beyond the prescribed deadline of 08.11.2023. Claiming to have stepped into the shoes of Bank of Maharashtra, Respondent No. 1 asserts a first charge over the Sigma-9 property on the basis of the impugned Assignment Deed and charge registration effected after commencement of CIRP and liquidation, thereby seeking to enforce a purported security interest outside the liquidation process of the Corporate Debtor.
- 5.32. It is submitted that under Regulation 21A(1) of the IBBI (Liquidation Process) Regulations, 2016, a security interest forms part of the liquidation estate where the secured creditor fails to intimate its decision to the Liquidator within 30 days of the liquidation commencement date. It is further submitted that Respondent No. 1(Aerion Finserve) has not preferred any appeal under Section 42 of the IBC against the Applicant's decision.
- 5.33. It is pertinent to submit that Respondent Nos. 6 and 7, who were erstwhile directors of the Corporate Debtor and are presently directors of Gondwana Engineering Ltd., caused the Sigma-9 property of the Corporate Debtor to be mortgaged as security for the restructured facilities of Gondwana Engineering Ltd. under a Simple Mortgage Deed dated 20.03.2015, despite Bank of Maharashtra issuing a No Due Certificate to the Corporate Debtor on the very same day.
- 5.34. It is submitted that Respondent Nos. 6 and 7 have facilitated creation of a charge over the Sigma-9 property in

favour of Respondent No. 1, thereby encumbering an asset of the Corporate Debtor and adversely affecting its value maximization during liquidation. The charge claimed by Respondent No. 1 over the Sigma-9 property is ex facie illegal and liable to be set aside.

5.35. It is submitted that, for the same cause of action, the Applicant had earlier filed IA No. 275 of 2025 in CP(IB) No. 59 of 2019, which was withdrawn with liberty to file a fresh application vide order dated 25.02.2025. A copy of the said order is annexed herewith and marked as **Annexure-R**.

5.36. It is submitted that Areion has further assigned the alleged debt to Raj Radhe Finance Ltd. vide Assignment Agreement dated 02.05.2025. Since the original assignment in favour of Areion is under challenge and alleged to be illegal, the subsequent assignment is also liable to be quashed and set aside to the extent it pertains to the Corporate Debtor's property, being House No. 9, Sigma Corporate, Behind Rajpath Club, Bodakdev, Ahmedabad-380054. A copy of the Assignment Agreement dated 02.05.2025 is annexed as **Annexure-S**.

6. In compliance with the Order dated 10.06.2025, **Respondent No. 3/ Bank of Baroda** (earlier known as Dena Bank) filed its **Reply** on 25.06.2025 vide Inward Diary No. D-4058. The relevant portion thereof is reproduced hereinbelow:

6.1. It is submitted that Respondent No. 3, Bank of Baroda (formerly Dena Bank), had sanctioned credit facilities

aggregating to Rs. 65 Crores to the Corporate Debtor vide sanction letter dated 08.09.2012, and the concerned lender had accorded a No Objection for creation of a second charge over the subject property.

- 6.2. Subsequently, the credit facilities were restructured by Respondent No. 3 under sanction letter dated 12.09.2014 for an aggregate amount of Rs. 87.77 Crores, along with revised terms and conditions.
- 6.3. Respondent No. 3 instituted Original Application No. 282 of 2017 before the Debts Recovery Tribunal, Ahmedabad, against the Corporate Debtor and other concerned parties for recovery of its dues.
- 6.4. It is further submitted that the Debts Recovery Tribunal, Ahmedabad, vide judgment dated 08.11.2019 in O.A. No. 282 of 2017, held that Dena Bank (now Bank of Baroda) would be the first charge holder over the subject property and that any subsequent charge created in favour of Bank of Maharashtra would remain subordinate to the rights of Bank of Baroda and IDBI Bank.

*"I have considered the rival contentions of both the parties and I am of the considered opinion that Dena Bank, now Bank of Baroda shall become the first charge holders of the said property and the Bank of Maharashtra shall become second charge holder for any subsequent loan granted by it. Upon Liquidation of loan of Bank of Maharashtra, the first charge holder, the then consortium of Dena Bank and IDBI Bank being 2nd Charge holders automatically stepped into the shoes of first charge holder and any subsequent loan by Bank of Maharashtra on*

*same property would be subservient to the right of Dena Bank (Now Bank of Baroda) and IDBI Bank. "*

- 6.5. Respondent No. 3 has stated that it lodged its claim as a secured financial creditor in the liquidation proceedings for an amount of Rs. 1,67,40,02,502.40, which claim has been admitted by the Liquidator.
- 6.6. It is further stated that Respondent No. 3 relinquished its security interest in favour of the Liquidation Estate under Section 52 of the Insolvency and Bankruptcy Code, 2016, and consequently the secured asset forms part of the liquidation estate.
- 6.7. Respondent No. 3 has clarified that no substantive relief has been sought against it in the present application and that it has placed the aforesaid facts on record only to assist the Tribunal in adjudicating the controversy concerning the validity and effect of the assignment deed and the security interest claimed over the Ahmedabad property.
- 7. The Respondent No. 4/Bank of Maharashtra** has also filed its **reply** on 30.06.2025 vide Inward Diary No. D – 4220 which is reproduced hereinbelow: -
- 7.1. It is submitted that the application is liable to be dismissed as being barred by limitation. According to Respondent No.4, the Assignment Agreement in question was executed on 27.10.2023 and registered on 30.11.2023, whereas the liquidation order came to be passed on 03.10.2023.

- 7.2. It is contended that the Applicant cannot derive any benefit from the date of liquidation for the purposes of limitation and that the present application has been instituted after an unreasonable and unexplained delay.
- 7.3. Respondent No.4 (Bank of Maharashtra) has further submitted that credit facilities were sanctioned from time to time in favour of M/s Gondwana Engineers Limited and were periodically renewed, enhanced and restructured. The said facilities comprised Cash Credit, Working Capital Term Loan, Funded Interest Term Loan and Bank Guarantee facilities.
- 7.4. In support of the sanction and restructuring of the credit facilities, reliance has been placed upon the sanction letters dated 31.08.2001, 17.11.2008, 30.01.2010, 06.04.2010 and 29.08.2012 annexed collectively as **Annexure R/1** and the sanction letter dated 19.03.2015 annexed as **Annexure R/2**.
- 7.5. It is the case of Respondent No.4 that, as security for the aforesaid credit facilities, the Corporate Debtor created a mortgage over the property situated at House No. 9, Sigma-1, Corporate Road, Prahladnagar, Ahmedabad, by executing a registered Mortgage Deed dated 20.03.2015 in favour of the Bank's Corporate Finance Branch, Pune. A copy of the registered Mortgage Deed has been annexed as **Annexure R/3**.
- 7.6. According to Respondent No.4, the mortgage was duly stamped, registered and created in accordance with law and therefore constitutes a valid and enforceable security

- interest.
- 7.7. Respondent No.4 has stated that the account of M/s Gondwana Engineers Limited was classified as a Non-Performing Asset on 02.01.2020 and was thereafter transferred to the Asset Recovery Branch, Nagpur for monitoring and recovery. It is submitted that recovery proceedings were initiated before the Debt Recovery Tribunal, Nagpur by filing Original Application No.348/2021 against the borrower.
- 7.8. The Bank has further submitted that during the pendency of the recovery proceedings, the borrower approached it for a One Time Settlement of the outstanding dues. The settlement proposal was sanctioned by the Bank and a copy of the sanction letter evidencing the OTS has been placed on record as **Annexure R/4**.
- 7.9. It is further submitted that the debt was assigned in favour of Respondent No.1 (Aerion Finserve) under an Assignment Agreement dated 30.11.2023 and that upon receipt of the assignment consideration, the loan account stood closed, as evidenced by the Statement of Account annexed as **Annexure R/5**. It was also pointed out that CP (IB) No.59/2019 filed by the Bank had already been withdrawn vide order dated 26.09.2023 annexed as **Annexure R/6**.
- 7.10. The Bank denied all allegations concerning wrongful creation of charge, fraud or collusion and contended that the Assignment Agreement was executed by the Asset Recovery Branch, Nagpur after following due process.
- 7.11. It was further submitted that upon assignment of the debt,

Respondent No.4 ceased to have any subsisting right, title or interest in the subject debt or security and therefore no relief could be granted against it. Respondent No.4 accordingly prayed for dismissal of the application.

8. The **Respondent No. 5/ Gondwana Engineers Limited** has also filed its **reply** on 18.07.2025 vide Inward Diary No. D – 4538 which is reproduced hereinbelow: -

- 8.1. Respondent No. 5 contends that Bank of Maharashtra ("BOM") had extended credit facilities to Gondwana Engineers Ltd. since 1993 and that the subject property of the Corporate Debtor situated at Sigma Corporate House No. 9, Bodakdev, Ahmedabad, was originally mortgaged in favour of BOM under a Loan against Property facility granted in 2010.
- 8.2. It is submitted that although IDBI Bank and Dena Bank sanctioned facilities to the Corporate Debtor in 2012, the No Objection Certificate issued by BOM was only for creation of a second pari passu charge in respect of the then existing facilities. A Memorandum recording extension of equitable mortgage dated 16.01.2013 annexed as **Annexure-R5/2**.
- 8.3. According to Respondent No. 5, subsequent restructuring of the credit facilities by IDBI Bank and Dena Bank/Bank of Baroda in 2014 resulted in fresh sanction terms and loan agreements, thereby requiring a fresh NOC and fresh documentation for extension of any second charge.

- 8.4. The Minutes of Joint Lenders' Meeting dated 11.03.2015 **Annexure-R5/3** are relied upon to demonstrate that IDBI Bank and Dena Bank themselves sought extension of second charge and requested intervention of BOM officials, indicating that the process for creation/perfection of such charge had not been completed.
- 8.5. Respondent No. 5 (Gondwana Engineers Limited) further relies upon communication dated 06.04.2015 issued by BOM, Pune **Annexure-R5/4**, to contend that BOM had not approved ceding or extension of second charge over the subject property in favour of IDBI Bank and Dena Bank after restructuring and that no fresh tripartite memorandum was executed thereafter.
- 8.6. It is the case of Respondent No. 5 that BOM restructured GEL's account in March 2015 and included the subject property as additional security for its exposure, pursuant to which a mortgage deed was executed and charge was registered in favour of BOM.
- 8.7. Respondent No. 5 disputes the effect of the DRT Ahmedabad order dated 08.11.2019 and submits that the said order proceeded on an erroneous assumption that a valid second pari passu charge in favour of IDBI Bank and Dena Bank existed on the subject property. It is further stated that the said order is under challenge by way of Review Application No. 1 of 2020.
- 8.8. A further contention raised is that despite the DRT order, no charge in favour of the IDBI-BOB consortium was registered with the Registrar of Companies or CERSAI in

- respect of the alleged second charge over the subject property.
- 8.9. Respondent No. 5 states that GEL approached Respondent No. 1 for financial assistance towards funding of the One Time Settlement approved by BOM, and by letter dated 30.08.2023 **Annexure-R5/5** requested a demand loan facility. The said transaction culminated in assignment of BOM's debt and security interests, including the subject property, in favour of Respondent No. 1.
- 8.10. It is further submitted that the security interest assigned by BOM was subsequently registered with CERSAI and the Registrar of Companies, thereby evidencing perfection of security in favour of Respondent No. 1.
- 8.11. Respondent No. 5 also relies upon its communication dated 26.06.2024 **Annexure-R5/6** to show that Respondent No. 1 was informed of the liquidation of the Corporate Debtor, pursuant to which Respondent No. 1 lodged its claim before the Liquidator.
- 8.12. The principal defence of Respondent No. 5 is that any alleged charge claimed by the IDBI-BOB consortium was never perfected in accordance with statutory requirements and, in absence of registration with ROC/CERSAI, cannot prevail against the liquidator or against the subsequently assigned and registered security interest claimed through BOM.
- 8.13. Respondent No. 5 therefore asserts that the security interest claimed by Respondent No. 1 through assignment from BOM constitutes the valid and enforceable charge

over the subject property.

9. The **Respondent No. 6 & 7** has also filed their **reply** on 08.08.2025 vide Inward Diary No. D-5442 which is reproduced herein below: -

- 9.1. It is submitted that the principal relief sought by the Applicant is, in effect, to invalidate the Assignment Agreement dated 27.10.2023 executed between Bank of Maharashtra and Respondent No. 1 and the consequential modification of charge registered on 30.11.2023 in respect of the Sigma-9 property.
- 9.2. It was contended that such relief falls outside the scope of summary proceedings under the Insolvency and Bankruptcy Code, 2016 and involves adjudication of disputed civil rights.
- 9.3. It is submitted that the Assignment Agreement merely transferred the security interest vested in Bank of Maharashtra and did not result in transfer of ownership of the underlying property. According to them, the Applicant has incorrectly proceeded on the premise that the property itself stood transferred in favour of Respondent No. 1.
- 9.4. It was further argued that the Applicant has not challenged the Simple Mortgage Deed dated 20.03.2015, which constitutes the foundational document creating the charge in favour of Bank of Maharashtra.
- 9.5. Respondent Nos. 6 and 7 relied upon the decision of the Hon'ble NCLAT in **Lalan Kumar Singh v. Phoenix ARC (P)**

**Ltd., 2018 SCC OnLine NCLAT 835**, to contend that issues requiring declaration of rights arising out of assignment transactions and involving adjudication of disputed facts are not amenable to summary insolvency jurisdiction.

- 9.6. The Corporate Debtor had availed a Loan against Property facility of Rs.3.20 Crores from Bank of Maharashtra in 2010 by mortgaging the Sigma-9 property and that a first charge was duly created and registered.
- 9.7. They further submitted that though IDBI Bank and Dena Bank had obtained sanction of credit facilities against creation of a second pari passu charge, the facilities were subsequently restructured in 2014 through fresh sanction letters and loan agreements.
- 9.8. It was further submitted that on 17.03.2015 Bank of Maharashtra restructured the account of Gondwana Engineers Limited and secured its exposure by creating charge over the Sigma-9 property. Thereafter, on 20.03.2015, a Simple Mortgage Deed was executed in favour of Bank of Maharashtra whereby the said property stood mortgaged as security.
- 9.9. The charge in question was created much prior to commencement of CIRP and at a time when no moratorium under the Code was in force. It was therefore contended that the transaction cannot be characterized as fraudulent, preferential or otherwise prohibited under the Insolvency and Bankruptcy Code. It was additionally argued that any

challenge to the creation of charge in the year 2015 is ex facie barred by limitation.

9.10. The CIRP against the Corporate Debtor commenced only pursuant to order dated 31.08.2021 passed in CP(IB) No.59 of 2019 and liquidation was subsequently ordered on 03.10.2023. Thereafter, Bank of Maharashtra assigned its security interest to Respondent No.1 under Assignment Agreement dated 27.10.2023 and the modification of charge was duly recorded with the Registrar of Companies.

9.11. It was also submitted that Respondent No.1 had lodged its claim before the Liquidator, and upon rejection thereof, preferred I.A. No.234 of 2025. Accordingly, the contention that no remedy had been pursued against rejection of the claim was stated to be factually incorrect.

9.12. Respondent Nos. 6 and 7 denied all allegations of fraud and contended that the mortgage transaction dated 20.03.2015 was entered into in the ordinary course of business and long prior to initiation of insolvency proceedings. They further relied upon communication dated 16.11.2021 addressed to the Interim Resolution Professional (Annexure-A) to contend that the existence of the mortgage and charge in favour of Bank of Maharashtra over the Sigma-9 property had already been disclosed to the insolvency professional.

**10.** The newly added **Respondent No. 8/Raj Radhe Finance Limited**, filed its **reply** affidavit on 10.02.2026 vide Inward Diary No. D-1189, inter alia contending as under:

- 10.1. Respondent No. 8 submits that the present application is a counterblast to IA No. 234 of 2025 and IA No. 341 of 2025 filed by Areion Finserve Pvt. Ltd. seeking recognition of its claim and exclusion of the Sigma-9 property from the liquidation estate.
- 10.2. It is contended that despite commencement of liquidation on 03.10.2023, the Liquidator failed to undertake due diligence regarding the status, ownership and encumbrances over the subject property and approached the Tribunal only after the aforesaid applications were filed.
- 10.3. Respondent No. 8 submits that the charges over the property were duly registered with the Registrar of Companies and CERSAI, and the Liquidator ought to have taken appropriate steps under the Companies Act, 2013 for rectification or challenge of the charge, instead of filing the present application.
- 10.4. It is further contended that the relief seeking declaration of the charge as illegal is not maintainable before this Tribunal, as a separate statutory mechanism exists under Section 87 of the Companies Act, 2013 for rectification/modification of registered charges.
- 10.5. Respondent No. 8 submits that assignment agreements are independent contracts between parties and their validity can only be challenged before a competent civil court; the NCLT, exercising summary jurisdiction under the Code, cannot adjudicate upon the validity of such assignments.
- 10.6. Reliance is placed upon **T. Johnson v. Phoenix ARC Pvt. Ltd.** 2019 SCC online NCLAT 244, **Lalan Kumar Singh v.**

**Phoenix ARC Pvt. Ltd.** 2018 SCC Online NCLAT 835, and **Ranjit Kapoor v. Asset Reconstruction Co. (India) Ltd.** 2018 SCC online NCLAT 401 to contend that disputes regarding assignment agreements cannot be examined in proceedings under the IBC.

- 10.7. It is further submitted that the applicant is attempting to bypass the proper legal forum and challenge assignment transactions through summary proceedings under the Code. The presumption of validity attaches to registered documents unless set aside by a competent court.
- 10.8. Respondent No. 8 contends that the DRT proceedings in OA No. 282 of 2017 were conducted without impleading Bank of Maharashtra and Gondwana Engineers Ltd., resulting in an incomplete adjudication.
- 10.9. It is submitted that the DRT order dated 08.11.2019 was passed on the basis of suppression of material facts and an erroneous assumption regarding the existence of a second pari passu charge in favour of IDBI Bank and Bank of Baroda. It is denied that IDBI Bank and Bank of Baroda presently hold a first charge over the subject property.
- 10.10. Respondent No. 8 denies the allegations of fraud and submits that, upon execution of fresh loan documents and extension of equitable mortgage, the earlier NOC of Bank of Maharashtra ceased to have legal effect, necessitating a fresh NOC for creation or continuation of any subsequent charge.
- 10.11. It is further submitted that a valid security interest exists over the subject property and, therefore, the property

cannot automatically be treated as forming part of the liquidation estate. Reference is also made to IA No. 341 of 2025 filed by Areion Finserve Pvt. Ltd. and IA No. 1137 of 2025 filed by Respondent No. 8 challenging rejection of its claim.

- 10.12. Accordingly, Respondent No. 8 seeks dismissal of the application with costs, contending that the application amounts to an abuse of process and has unnecessarily delayed the liquidation proceedings.
11. The Applicant/Liquidator filed a **Rejoinder** on 25.03.2026 vide Inward Diary No: D - 2669 to the replies filed by Respondent Nos. 3, 4, 5, 6, 7 and 8, inter alia, contending as under:-
- 11.1. The Applicant/Liquidator submits that the replies filed by the Respondents do not specifically deny the material averments made in the Application and are unsupported by sufficient documentary evidence. Therefore, the reliefs sought in the Application deserve to be allowed.
- 11.2. It is submitted that **Respondent No. 1 (Aerion Finserve)**, despite being represented through counsel, has not filed any reply to the present Application. The Applicant therefore contends that the Assignment Agreement dated 27.10.2023 executed between Respondent No. 1 and Respondent No. 4 (Bank of Maharashtra), along with the subsequent assignment in favour of Respondent No. 8, (Raj Radhe) remains uncontroverted. Accordingly, the Applicant

seeks quashing of the said assignments and a direction for handing over the original title deeds of the Ahmedabad property of the Corporate Debtor.

- 11.3. It is submitted that **Respondent No. 2** has not filed any reply to the present Application. The Applicant submits that IDBI Bank had sanctioned a fresh credit facility of Rs. 93.48 Crores to the Corporate Debtor vide sanction letter dated 20.08.2014 and executed fresh loan and facility documents creating a pari-passu charge over the Sigma-9 property, Ahmedabad. According to the Applicant, upon issuance of the No Due Certificate dated 20.03.2015 by Bank of Maharashtra, IDBI Bank stepped into the shoes of Bank of Maharashtra and assumed the first charge over the said property.
- 11.4. It is further submitted that the issue regarding charge over the Sigma-9 property was adjudicated by the DRT, Ahmedabad in OA No. 282 of 2017 vide order dated 08.11.2019, wherein the rights of IDBI Bank and Bank of Baroda in respect of the property were recognized.

*"I have considered the rival contentions of both the parties and I am of the considered opinion that Dena Bank, now Bank of Baroda shall become the first charge holder of the said property and the Bank of Maharashtra shall become second charge holder for any subsequent loan granted by it. Upon Liquidation of loan of Bank of Maharashtra, the first charge holder, the then consortium of Dena Bank and IDBI Bank being Ind Charge holders automatically stepped into the shoes of first charge holder and any subsequent loan by Bank of Maharashtra on same property would be subservient to the right of Dena Bank (Now Bank of Baroda) and IDBI Bank."*

- 11.5. The Applicant also states that Respondent No. 2 (IDBI Bank) is a member of the Stakeholders' Consultation

Committee and supports the reliefs sought in the present Application.

- 11.6. It is submitted that **Respondent No. 3** has filed its reply. The Applicant states that Dena Bank (now Bank of Baroda) sanctioned credit facilities of Rs. 87.77 Crores vide sanction letter dated 12.09.2014 with a pari-passu charge over the Sigma-9 property.
- 11.7. Upon issuance of the No Due Certificate by Bank of Maharashtra on 20.03.2015, Bank of Baroda stepped into the position of first charge holder. Reliance is further placed on the DRT Ahmedabad order dated 08.11.2019 in OA No. 282 of 2017, whereby the charge rights of Bank of Baroda and IDBI Bank over the Sigma-9 property were recognized.
- 11.8. It is submitted that despite issuance of nine emails by the Liquidator between February 2024 and June 2024 seeking handover of the original title deeds of the Sigma-9 property, **Respondent No. 4** (Bank of Maharashtra) failed to hand over the documents or furnish any substantive response, as evidenced from the email correspondence annexed as **Annexure-R1**.
- 11.9. The Applicant further contends that pursuant to the No Due Certificate dated 20.03.2015 and the DRT Ahmedabad order dated 08.11.2019 in OA No. 282 of 2017, Bank of Maharashtra ceased to have first charge over the Sigma-9 property and the charge rights stood in favour of IDBI Bank and Bank of Baroda.
- 11.10. It is further submitted that Respondent No. 4 (Bank of

Maharashtra) neither filed any claim during CIRP or liquidation nor exercised its rights under Regulation 21A of the IBBI (Liquidation Process) Regulations, 2016. Reliance is also placed on the letter dated 26.06.2024 issued by Gondwana Engineers Limited to Areion Finserve Pvt. Ltd., annexed as **Annexure-R2**. Accordingly, the Applicant contends that the assignment executed by Respondent No. 4 in respect of the Sigma-9 property is illegal, void and unenforceable in law.

- 11.11. It is submitted that **Respondent No. 5** (Gondwana Engineers Limited) is a sister concern of the Corporate Debtor and is managed by the same persons/family members constituting the suspended management of the Corporate Debtor. The Applicant contends that despite such relationship, neither the RP nor the Liquidator was informed about the alleged mortgage created in favour of Bank of Maharashtra.
- 11.12. Reliance is placed on the DRT Ahmedabad order dated 08.11.2019 in OA No. 282 of 2017, wherein the charge rights over the Sigma-9 property were held in favour of IDBI Bank and Bank of Baroda.
- 11.13. The Applicant further submits that although Respondent No. 5 has stated that it filed Review Application No. 1 of 2020 against the said DRT order; the proceedings remain pending, as reflected from the DRT case details and recent orders annexed as **Annexure-R3**.
- 11.14. It is also contended that the letter dated 26.06.2024 addressed by Respondent No. 5 (Gondwana Engineers

Limited) to Respondent No. 1 (Aerion Fin Serve) , advising Respondent No. 1 to assert security rights outside the liquidation process, demonstrates an attempt to keep the Sigma-9 property outside the liquidation estate. Accordingly, the Applicant disputes the claims of Respondent No. 5 and reiterates that the property forms part of the liquidation estate of the Corporate Debtor.

- 11.15. According to the Applicant, the said communication demonstrates an attempt to keep the Sigma-9 property outside the liquidation estate. The Applicant denies the allegations made by Respondent No. 5 against the RP/Liquidator and submits that Respondent No. 5, being under common management with the Corporate Debtor, was fully aware of the CIRP and liquidation proceedings and cannot attribute its own omissions to the RP/Liquidator.
- 11.16. The Applicant further places reliance on the minutes of the 3rd to 7th meetings of the Stakeholders' Consultation Committee annexed as **Annexure-R4** to demonstrate that the liquidation process and issues concerning the assets of the Corporate Debtor were regularly deliberated and disclosed to stakeholders. Accordingly, the Applicant disputes the rights claimed through Bank of Maharashtra and reiterates that the Sigma-9 property forms part of the liquidation estate of the Corporate Debtor.
- 11.17. It is submitted that the contentions raised by **Respondent Nos. 6 and 7** are misconceived and contrary to the material available on record. The Applicant reiterates that

the Sigma-9 property forms part of the liquidation estate of the Corporate Debtor and that the rights claimed through Bank of Maharashtra are unsustainable in view of the No Due Certificate dated 20.03.2015 and the DRT Ahmedabad order dated 08.11.2019 in OA No. 282 of 2017.

- 11.18. The Applicant further submits that neither Bank of Maharashtra nor its assignees exercised any rights as secured creditors during the CIRP or liquidation process in accordance with the provisions of the Code and the Liquidation Regulations. Accordingly, the Applicant disputes the claims advanced by Respondent Nos. 6 and 7 and reiterates that the impugned assignment and the consequential rights asserted over the Sigma-9 property are liable to be rejected.
- 11.19. The Applicant submits that **Respondent No. 8** was impleaded pursuant to the Assignment Agreement dated 02.05.2025 executed between Respondent No. 1 and Respondent No. 8. It is contended that IA Nos. 234 and 341 of 2025 filed by Respondent No. 1 have already been dismissed and, therefore, Respondent No. 1 had no subsisting right capable of being assigned.
- 11.20. Consequently, Respondent No. 8 (Raj Radhe) cannot claim any better title than Respondent No. 1. The Applicant further submits that Respondent No. 8 has neither filed any claim before the Liquidator nor established any right over the Sigma-9 property. Reliance is placed on the DRT order dated 08.11.2019 and the No Due Certificate dated 20.03.2015 to contend that IDBI Bank and Bank of Baroda

became the first charge holders over the property, whose security interest has already been relinquished to the liquidation estate under Section 52 of the Code.

11.21. It is therefore submitted that neither Bank of Maharashtra nor its assignees acquired any enforceable right over the property and the assignment relied upon by Respondent No. 8 is invalid and unenforceable. Accordingly, the Applicant seeks allowing of the present Application and appropriate directions regarding the title deeds of the property

**12.** In compliance of order dated 20.01.2026, the Respondent No. 5/ Gondwana filed its written submissions on 19.03.2026 vide Inward Diary No. D - 1470 Where he relied upon the following judgement:-

*1. Lalan Kumar Singh v. Phoenix ARC (P) Ltd reported in 2018 SCC OnLine NCLAT 835*

**13.** Further, Respondent Nos. 6 and 7 also filed their written submissions on 17.02.2026 vide Inward Diary No. D-1471, wherein they relied upon the following judgments: -

*1. Lalan Kumar Singh v. Phoenix ARC (P) Ltd reported in 2018 SCC OnLine NCLAT 835*

**14.** Respondent No. 3, Bank of Baroda, has also filed its written submissions on 24.03.2026 vide Inward Diary No. D-2645,

which are taken on record.

- 15.** The Applicant has also filed its written submissions on 25.03.2026 vide Inward Diary No. D - 2683. The same are taken on record.
- 16.** The Respondent No. 4, Bank of Maharashtra, has also filed its written submissions on 06.03.2026 vide Inward Diary No. D-3016, relying upon the following judgments:
1. *T. Johnson Vs Phoenix Arc Ltd. Company Appeal (AT) (Insolvency) No.32 of 2019 Dated 07th May,2019*
  2. *Lalan Kumar Singh Vs M/s Phoenix ARC Pvt ltd. Company Appeal (AT)Insolvency No.485/2018*
- 17.** The Respondent No. 8, Raj Radhe Finance Limited, has also filed its written submissions on 10.02.2026 vide Inward Diary No. D-1195, relying upon the following judgments:
1. *T. Johnson v. Phoenix ARC (P) Ltd. [2019 SCC OnLine NCLAT 244]*
  2. *Lalan Kumar Singh v. Phoenix ARC Pvt. Ltd. [2018 SCC OnLine NCLAT 835]*
  3. *Ranjit Kapoor v. Asset Reconstruction Co. (India) Ltd. [2018 SCC OnLine NCLAT 1041]*
- 18.** Respondent No. 1/Areion Finservice Private Limited, has filed its written submissions on 21.04.2026 vide Inward Diary No.

D-3463, wherein it has relied upon the following judgments: -

1. *T. Johnson v. Phoenix ARC (P) Ltd.*, 2019 SCC Online NCLAT 244
2. *Lalan Kumar Singh v. Phoenix ARC Pvt. Ltd.*, reported at 2018 SCC Online NCLAT 835
3. *Ranjit Kapoor v. Asset Reconstruction Co. (India) Ltd.*, reported at 2018 SCC Online NCLAT 1041

- 19.** The Applicant/Liquidator filed a further **affidavit** on 05.06.2026 vide Inward Diary No. D - 4531 pursuant to the order dated 08.05.2026, placing on record the details of the public announcements made during the CIRP and liquidation periods. It is submitted that Form-A was published on 12.09.2021 and Bank of Maharashtra was duly intimated regarding commencement of CIRP. Further, upon commencement of liquidation vide order dated 03.10.2023, Form-B was published in Business Standard and Sandesh on 11.10.2023, uploaded on the IBBI portal and the website of the Corporate Debtor, and emails dated 09.11.2023 were sent to the Ahmedabad and Pune branches of Bank of Maharashtra intimating the liquidation process and inviting claims in the prescribed forms.
- 20.** Further, Respondent No. 8, Raj Radhe Finance Limited, filed

an **affidavit** on 05.06.2026 vide Inward Diary No. D-4526 in compliance with the order dated 08.05.2026, placing on record true copies of the complete registered mortgage deed dated 20.03.2015 executed between Bank of Maharashtra, Pune Branch and Gondwana Engineers Limited in respect of the property bearing House No. 9, Sigma Corporate, Behind Rajpath Club, Bodakdev, Ahmedabad-380054, belonging to the Corporate Debtor. It was further submitted that the original registered mortgage deed would be produced before this Tribunal on the date fixed for hearing or as directed by this Tribunal for examination. The said affidavit and documents filed by Raj Radhe Finance Limited were not objected to by Applicant/Liquidator and were accordingly taken on record vide order dated 08.06.2026.

**21.** Through **IA No. 1137 of 2025**, Raj Radhe Finance Limited has placed the facts on record in the following manner: -

21.1. It is submitted that Raj Radhe Finance Limited, as assignee of the debt of Gondwana Engineers Limited from Areion Finserve Private Limited pursuant to the Assignment Agreement dated 02.05.2025, has filed the present application seeking admission of its claim in the liquidation process of the Corporate Debtor.

- 21.2. It is submitted that IDBI Bank Limited had initiated CIRP against the Corporate Debtor by filing CP (IB) No. 59 of 2019 under Section 7 of the IBC, which was admitted by this Tribunal vide order dated 31.08.2021, and the Corporate Debtor was subsequently ordered into liquidation vide order dated 03.10.2023.
- 21.3. It is submitted that Gondwana Engineers Limited (“GEL”) had approached Bank of Maharashtra (“BoM”) in the year 1993 for various credit facilities, and accordingly Cash Credit and Bank Guarantee facilities were sanctioned on 18.11.1993.
- 21.4. It is further submitted that GEL periodically sought extension and renewal of the said facilities, which were sanctioned by BoM from time to time, and various financing documents were executed between the parties during the period 1993 to 2015.
- 21.5. It is submitted that Bank of Maharashtra, Ashram Road Branch, Ahmedabad, had sanctioned a term loan of Rs. 3.20 crore to the Corporate Debtor under the Loan Against Property (LAP) scheme on 07.10.2010, against mortgage of the property bearing House No. 9, Sigma Corporate Park, Bodakdev, Ahmedabad-380054, and the charge created thereon was duly registered with the Registrar of Companies is annexed as **Annexure A**.
- 21.6. In 2012, IDBI Bank and Dena Bank (now Bank of Baroda) sanctioned credit facilities of Rs. 75 crore and Rs. 65 crore, respectively, to the Corporate Debtor. Pursuant thereto, a second pari passu charge was created over the subject

property, for which Bank of Maharashtra, Ashram Road Branch, Ahmedabad, issued a No Objection Certificate (NOC) in favour of IDBI Bank and Dena Bank, and a Memorandum recording extension of equitable mortgage was executed on 16.01.2013 annexed as **Annexure B**.

- 21.7. In 2014, IDBI Bank and Dena Bank (now Bank of Baroda) restructured the credit facilities extended to the Corporate Debtor and executed fresh loan and facility agreements. Pursuant thereto, Bank of Baroda, vide sanction letter dated 12.09.2014, sanctioned revised credit facilities aggregating Rs. 87.77 crore, while IDBI Bank, vide sanction letter dated 20.08.2014, sanctioned revised credit facilities aggregating Rs. 93.48 crore, with fresh terms and conditions. Copies of the aforesaid have been annexed as **Annexure-C**.
- 21.8. It is submitted that consequent upon the execution of fresh loan agreements in 2014, the Memorandum dated 16.01.2013 ceased to be valid and a fresh NOC from Bank of Maharashtra was required for extension of the second charge in favour of IDBI Bank/Bank of Baroda. Accordingly, the IDBI/BoB consortium convened a Joint Lenders' Meeting on 11.03.2015 to expedite the extension of the second charge.
- 21.9. On 17.03.2015, Bank of Maharashtra restructured the account of Gondwana Engineers Limited (GEL) and included the subject property as additional security for its credit exposure of Rs. 95.41 crore. Subsequently, on 20.03.2015, Bank of Maharashtra, Ashram Road Branch,

Ahmedabad, issued a No Due Certificate to the Corporate Debtor in respect of its loan account, a copy whereof is annexed as **Annexure-D**.

21.10. It is submitted that on 20.03.2015, a mortgage deed was executed by Gondwana Engineers Limited and the Corporate Debtor in favour of Bank of Maharashtra, Pune, whereby the subject property, along with other securities, was mortgaged and a first charge thereon was registered with the Registrar of Companies. Copies of the mortgage deed and proof of registration of charge are annexed as **Annexure-E**.

21.11. Vide communication dated 06.04.2015, Bank of Maharashtra, Pune advised its Ahmedabad Branch not to cede the second charge over the subject property without approval of the competent authority. The said email was also marked to Dena Bank (now BoB) and IDBI. Accordingly, second charge was not ceded and no fresh memorandum to record extension of equitable mortgage was signed in favour of IDBI and Dena Bank. A copy of the said communication is annexed as **Annexure-F**.

21.12. It is submitted that the Debt Recovery Tribunal, Ahmedabad, vide order dated 08.11.2019 passed in OA No. 282 of 2017, held that Bank of Baroda and IDBI Bank had the first charge over the subject property and that any subsequent charge created in favour of Bank of Maharashtra would be subordinate thereto. The Applicant contends that the said order proceeded on the assumption that a valid second pari passu charge in favour of IDBI

Bank and Bank of Baroda subsisted. A copy of the said order is annexed as **Annexure-G**.

21.13. It is submitted that Gondwana Engineers Limited challenged the order dated 08.11.2019 by filing Review Application No. 1 of 2020, which is stated to be pending adjudication. A copy of the Review Application is annexed as **Annexure-H**.

21.14. The account of Gondwana Engineers Limited was declared NPA on 02.01.2020 by Bank of Maharashtra, whereafter GEL proposed a One Time Settlement (OTS) of Rs. 25 crore, which was approved by the Bank.

21.15. It is submitted that Areion Finserve Private Limited (AFPL) was approached by Gondwana Engineers Limited vide letter dated 30.08.2023 for financial assistance towards part funding of its OTS amount of Rs. 25 crore together with delayed payment interest of about Rs. 2 crore, pursuant to which AFPL sanctioned a demand loan facility of Rs. 7 crore vide sanction letter dated 14.09.2023. Copies of the request letter and sanction letter are annexed as **Annexure-I**.

21.16. It is submitted that the loan facility extended by Areion Finserve Private Limited (AFPL) was secured by the securities of Gondwana Engineers Limited, including the subject property, and pursuant to the Assignment Agreement dated 27.10.2023 executed between AFPL and Bank of Maharashtra, AFPL claims to have become the first charge holder of the subject property. A copy of the Assignment Agreement is annexed as **Annexure-J**.

- 21.17. It is submitted that the security interest over the mortgaged properties, including the subject property, was registered with CERSAI on 17.10.2023 annexed as **Annexure-K**.
- 21.18. That pursuant to the Assignment Agreement dated 27.10.2023 between Bank of Maharashtra and Areion Finserve Private Limited, Gondwana Engineers Limited registered the charge over the subject property in favour of AFPL through Form CHG-1, and the Registrar of Companies issued a Certificate of Registration of Modification of Charge on 15.02.2024. Copies of the Form CHG-1 and the Certificate of Registration of Modification of Charge are annexed as **Annexure-L**.
- 21.19. It is submitted that Gondwana Engineers Limited, vide letter dated 26.06.2024, informed Areion Finserve Private Limited about the commencement of liquidation of the Corporate Debtor pursuant to the order dated 03.10.2023 passed by this Tribunal annexed as **Annexure-M**.
- 21.20. It is submitted that, upon receipt of the aforesaid communication, Areion Finserve Private Limited filed its claim in Form D along with supporting documents on 06.07.2024 before the Liquidator annexed as **Annexure-N**.
- 21.21. It is submitted that along with its claim in Form D, Areion Finserve Private Limited vide letter dated 06.07.2024 annexed as **Annexure-O** asserted its right to realize the subject property outside the liquidation process under Section 52 of the Code and requested the Liquidator not to proceed with its sale.
- 21.22. The Liquidator, vide email dated 15.07.2024, rejected the

claim of Areion Finserve Private Limited on the ground that the last date for submission of claims was 08.11.2023, and further stated that no claim of Bank of Maharashtra had been received, processed or verified during the CIRP. A copy of the said email is annexed as **Annexure-P**.

21.23. It is submitted that Areion Finserve Private Limited, vide letter dated 16.08.2024, contended that the Liquidator ought to have conducted due diligence to ascertain the first charge holder of the subject property and sought admission of its claim on the basis of registrations effected with CERSAI and the Registrar of Companies, notwithstanding the non-submission of claim by Bank of Maharashtra during CIRP. A copy of the said letter is annexed as **Annexure-Q**.

21.24. The Liquidator, vide letter dated 07.09.2024, rejected the claim of Areion Finserve Private Limited, inter alia, on the ground that Bank of Baroda was the first charge holder in terms of the DRT order dated 08.11.2019 in OA No. 282 of 2017, and that no claims could be admitted after **08.11.2023**, being the last date for submission of claims. A copy of the said letter is annexed as **Annexure-R**.

21.25. It is submitted that AFPL, vide letter dated 19.11.2024 and reminder email dated 31.12.2024, reiterated its claim and sought a response from the Liquidator. Copies thereof are annexed as **Annexure-S**.

21.26. The Liquidator, vide email dated 06.01.2025, rejected the claim of AFPL. According to AFPL, the delay in approaching this Tribunal was occasioned by the complexity of the

dispute and collection of requisite documents. A copy of the said email is annexed as **Annexure-T**.

21.27. It is submitted that IA No. 341 of 2025 was filed before this Tribunal and, during its pendency, the debt of Gondwana Engineers Limited held by Areion Finserve Private Limited was assigned to the Applicant vide Assignment Agreement dated 02.05.2025 annexed as **Annexure-U**.

21.28. It is submitted that during the hearing held on 10.06.2025 in IA No. 341 of 2025, the Tribunal permitted the assignee to make submissions. However, no steps were taken to substitute the name of the applicant pursuant to the Assignment Agreement dated 02.05.2025, and consequently, IA No. 341 of 2025 came to be dismissed for non-prosecution vide order dated 08.07.2025. Copies of the orders dated 10.06.2025 and 08.07.2025 are annexed as **Annexure-V**.

21.29. It is submitted that although the public announcement in the liquidation process fixed 08.11.2023 as the last date for submission of claims, Bank of Maharashtra had assigned the debt of Gondwana Engineers Limited to Areion Finserve Private Limited vide Assignment Agreement dated 27.10.2023, wherein it represented that no insolvency or liquidation proceedings affecting the borrower or the secured assets were pending.

21.30. Relying on such representation, AFPL contends that it had no reason to believe that the Corporate Debtor was under CIRP/liquidation and submits that timely steps for filing its claim would have been taken had the correct information

been disclosed by Bank of Maharashtra.

- 21.31. It is submitted that upon being informed by Gondwana Engineers Limited vide letter dated 26.06.2024 regarding the liquidation of the Corporate Debtor, Areion Finserve Private Limited promptly filed its claim in Form D on 06.07.2024 along with supporting documents and asserted its right under Section 52 of the Code to realize the subject property outside the liquidation process. AFPL contends that, having acquired knowledge of the liquidation proceedings only on 26.06.2024, its claim cannot be treated as belated.
- 21.32. It is submitted that under Sections 36(3) and 37 of the Code, the Liquidator is empowered to access information systems and records relating to security interests for identification of liquidation estate assets, which include all assets and interests of the Corporate Debtor reflected in its books, information utilities and statutory registries.
- 21.33. It is submitted that CERSAI, established under Section 20 of the SARFAESI Act, 2002, maintains records of security interests created over movable and immovable properties. It is further submitted that under Regulation 21 of the IBBI (Liquidation Process) Regulations, 2016, security interest may be proved either by a certificate of registration of charge issued by the Registrar of Companies or by proof of registration with CERSAI.
- 21.34. It is submitted that the charge in favour of AFPL was duly registered with both CERSAI and the Registrar of Companies, and that the Liquidator, upon conducting due

diligence of the assets forming part of the liquidation estate, ought to have taken note of the same.

21.35. That despite AFPL repeatedly bringing the registration of charge with CERSAI to the notice of the Liquidator and expressing its intention to realise the security interest independently, the Liquidator failed to consider the same and erroneously treated the subject property as forming part of the liquidation estate.

21.36. The RajRadhe Finance Limited has relied upon the following judgements: -

1. *Bizloan Pvt. Ltd. Vs. Amit Poddar (Liquidator) in Company Appeal (AT Ins) No. 210 of 2024 decided on 3.7.2025*

2. *State Tax Officer vs. Rainbow Paper Limited (2022 SCC Online SC 1162*

3. *Total Toots & Equipments (P) Ltd. VS. Mr. Ca Sandeep D. Maheshwari, Liquidator of Shiv Mfg Pipes Pvt. Ltd. in IA No. 1202 of 2022 decided on 03.07.2023*

21.37. The delay in submission of the claim by Areion Finserve Private Limited (AFPL) was neither wilful nor intentional and that, upon acquiring knowledge of the liquidation proceedings, AFPL promptly filed its claim within ten days.

21.38. It is further submitted that since the liquidation process is yet to attain finality and distribution of assets has not been completed, no prejudice would be caused to any stakeholder by admission of the claim.

21.39. The Applicant contends that, by virtue of the Assignment Agreement dated 02.05.2025 and Section 130 of the

Transfer of Property Act, 1882, it has stepped into the shoes of AFPL and is entitled to the same rights and remedies.

21.40. Accordingly, the Applicant seeks directions to the Liquidator to admit and reflect the claim in the liquidation process and permit realization of the security interest under Section 52 of the Code outside the liquidation proceedings, contending that denial of such relief would cause irreparable loss and prejudice to the Applicant.

**22.** The liquidator, in IA No. 1137 of 2025, has filed their **reply** on 16.12.2025 vide Inward Diary No. D - 8566 which have been summarised as follows: -

22.1. It is submitted that the present application is not maintainable, as the Applicant neither filed any claim before the Liquidator nor challenged any decision of rejection passed by the Liquidator. It is contended that Section 42 provides only for an appeal against the Liquidator's decision and, since the Applicant has not challenged the rejection of the claim filed by its assignor, Areion Finserve Private Limited, the present application falls outside the scope of Section 42 and is liable to be dismissed *in limine*.

22.2. That Areion Finserve Private Limited, being the assignor, filed its claim on 06.07.2024 and simultaneously exercised its option under Section 52(1)(b) of the IBC to keep the property bearing House No. 9, Sigma Corporate, Bodakdev,

Ahmedabad outside the liquidation estate.

- 22.3. It is further submitted that the said claim and request were rejected by the Liquidator on 15.07.2024 on the ground that the claim was barred by limitation, having been filed with a delay of 240 days under the IBBI (Liquidation Process) Regulations, 2016.
- 22.4. It is submitted that the request to exercise the option under Section 52(1)(b) was also rejected on the ground that, in view of Regulation 21A of the IBBI (Liquidation Process) Regulations, 2016, no intimation was received within 30 days of the liquidation commencement date, and consequently, the secured assets formed part of the liquidation estate. Copies of the claim form, correspondence and rejection of the claim are annexed as **Annexure-R1**.
- 22.5. It is submitted that the assignor preferred an appeal against the rejection of its claim with a delay of 180 days, which was registered as IA No. 341 of 2025, along with IA No. 231 of 2025 seeking condonation of delay. The Liquidator filed replies in both applications, which were subsequently dismissed for default vide order dated 08.07.2025, owing to the non-appearance of the assignor's counsel. Copies of the replies and the order dated 08.07.2025 are annexed as **Annexures R2 and R3**.
- 22.6. The Applicant has filed IA No. 1137 of 2025 seeking reliefs beyond the scope of Section 42 of the IBC and contrary to the NCLT Rules, 2016, as once the earlier application was dismissed for default, the proper remedy was to seek

restoration under Rule 48(2) of the NCLT Rules, 2016, and not to file a fresh IA challenging the same decision.

- 22.7. It is contended that IA No. 1137 of 2025 seeks reliefs beyond the scope of Section 42 of the IBC, 2016 and is not maintainable, as after dismissal for default, the appropriate remedy lies under Rule 48(2) of the NCLT Rules, 2016 and not by filing a separate IA challenging the earlier decision.
- 22.8. Despite execution of the Assignment Agreement on 02.05.2025, no steps were taken to substitute the Assignee in IA Nos. 231 and 341 of 2025, which were dismissed on 08.07.2025, and the present IA filed under Section 42 of the IBC, 2016 on 06.09.2025 seeking otherwise non-maintainable reliefs is a belated and colourable attempt not sustainable in law.
- 22.9. The present Application is barred by limitation, as the claim filed by M/s Areion Finserve Private Limited on 06.07.2024 was rejected on 15.07.2024 as being delayed by 240 days, and the appeal thereagainst (IA No. 341 of 2025) was also filed with a delay of 180 days; consequently, the present appeal, not having been filed within the statutory period of 14 days from rejection of the claim, is hopelessly time-barred.
- 22.10. The Corporate Debtor acquired the property bearing Sigma-9, House No. 9, Sigma Corporate, Bodakdev, Ahmedabad on 30.12.2009 for ₹3.56 crore. Thereafter, Bank of Maharashtra sanctioned a loan of ₹3.20 crore on 07.01.2010 against the said property and created a first charge, duly registered with the RoC, as evidenced by the

Memorandum of Equitable Mortgage, Form 8 and Certificate of Registration of Mortgage **Annexure R-4**.

- 22.11. It is further submitted that IDBI Bank and Bank of Baroda (erstwhile Dena Bank) sanctioned credit facilities aggregating ₹140 crore and, vide letter dated 10.09.2012, Bank of Maharashtra granted its no-objection for creation of a second charge in favour of the said lenders **Annexure R-5**.
- 22.12. The credit facilities aggregating to approximately ₹140 crore sanctioned by IDBI Bank and Dena Bank were secured, inter alia, by a second pari passu charge over the Sigma-9 property, for which Bank of Maharashtra had issued a No Objection Certificate.
- 22.13. It is further submitted that in 2014, IDBI Bank and Dena Bank (now Bank of Baroda) restructured the credit facilities and sanctioned revised facilities of ₹93.48 crore and ₹87.77 crore, respectively, under fresh terms and conditions, pursuant to which fresh loan and facility agreements were executed. Copies of the sanction letters dated 20.08.2014 and 12.09.2014 are annexed as Annexure C to the Application.
- 22.14. It is submitted that, as per information furnished by the suspended management vide email dated 30.08.2024, Bank of Maharashtra, while restructuring the account of Gondwana Engineers Ltd. on 17.03.2015, included the Sigma-9 property as additional security for exposure of ₹95.41 crore. The supporting documents are annexed as **Annexure R-6**.

- 22.15. It is further submitted that upon issuance of the No Due Certificate by Bank of Maharashtra on 20.03.2015, the first charge over the Sigma-9 property stood satisfied and IDBI Bank and Bank of Baroda became the first charge holders.
- 22.16. It is submitted that on 20.03.2015, Gondwana Engineers Ltd. executed a Simple Mortgage Deed in favour of Bank of Maharashtra, wherein the Corporate Debtor acted as guarantor and the Sigma-9 property was mortgaged as additional security. Copies of the No Due Certificate, Mortgage Deed, Form CHG-1 and Certificate of Registration of Charge are annexed as Annexures D and E to the Application.
- 22.17. It is submitted that in OA No. 282 of 2017, the DRT, Ahmedabad, vide order dated 08.11.2019, held that upon satisfaction of Bank of Maharashtra's charge, Bank of Baroda (erstwhile Dena Bank) and IDBI Bank stepped into the position of first charge holders over the Sigma-9 property. A copy of the said order is annexed as **Annexure R-7**.
- 22.18. It is submitted that although Review Application No. 1 of 2020 against the DRT order dated 08.11.2019 is pending, there is no stay operating against the said order and, therefore, Bank of Baroda and IDBI Bank continue to hold the first charge over the Sigma-9 property.
- 22.19. It is further submitted that Bank of Maharashtra has instituted OA No. 348 of 2021 before the DRT, Nagpur for recovery against Gondwana Engineers Pvt. Ltd., wherein the Corporate Debtor and its directors are also arrayed as

- parties, and the matter is presently pending adjudication.
- 22.20. It is submitted that Gondwana Engineers Ltd. approached Areion Finserve Pvt. Ltd. on 30.08.2023 for financial assistance towards payment of the OTS amount payable to Bank of Maharashtra, and no direct assignment existed between Areion Finserve Pvt. Ltd. and Bank of Maharashtra.
- 22.21. That pursuant to the liquidation order dated 03.10.2023 passed in IA No. 769 of 2021, public announcement was made on 11.10.2023 and the last date for submission of claims was 08.12.2023. It is contended that no claim was lodged by Bank of Maharashtra before the IRP/RP during the CIRP period.
- 22.22. It is submitted that Areion Finserve Private Limited and Bank of Maharashtra executed a registered Assignment Agreement dated 27.10.2023, which was registered on 30.11.2023.
- 22.23. It is further submitted that Respondent No. 1 filed its claim for the first time on 06.07.2024, which was rejected by the Liquidator vide email dated 16.07.2024. Thereafter, Respondent No. 1 addressed a letter dated 16.08.2024, forwarded by email dated 27.08.2024, to which the Liquidator duly replied.
- 22.24. It is submitted that the Liquidator, while replying to the Assignor, correctly stated the legal position and referred to the DRT order adjudicating the first charge in favour of Bank of Baroda and IDBI Bank.
- 22.25. It is further submitted that, after rejection of the Assignor's

claim on 15.07.2024, repeated communications were made only to circumvent the limitation prescribed under Section 42 of the IBC, 2016, and therefore the subsequent letter dated 19.11.2024 and email dated 06.01.2025 were of no legal consequence.

- 22.26. It is submitted that the claim filed by M/s Areion Finserve Pvt. Ltd. on 06.07.2024 was rejected on 15.07.2024 as being delayed by 240 days, and the appeal thereagainst (IA No. 341 of 2025) was also filed with a delay of 180 days. Accordingly, the present appeal is contended to be hopelessly barred by limitation.
- 22.27. It is further submitted that although the Assignment Agreement between the Assignor and Assignee was executed on 02.05.2025, no steps were taken to substitute the Assignee in IA Nos. 231 and 341 of 2025. After dismissal of the said applications on 08.07.2025, the present IA was filed on 06.09.2025 under Section 42 of the IBC, 2016 seeking reliefs which are stated to be otherwise not maintainable in law.
- 22.28. It is submitted that any allegation of non-disclosure or misrepresentation by Bank of Maharashtra in relation to the Assignment Agreement is a matter between the Assignor and Bank of Maharashtra and is beyond the scope of adjudication by this Tribunal.
- 22.29. It is further submitted that the common directors of Gondwana Engineers Ltd. and the Corporate Debtor negate the plea of lack of knowledge regarding the liquidation proceedings, and that the Assignor's claim and its request

to keep the property outside the liquidation estate under Section 52 had already been rejected.

- 22.30. It is further submitted that the request to exclude the property from the liquidation estate under Section 52 of the IBC, 2016 was rejected for non-compliance with Regulation 21A of the IBBI (Liquidation Process) Regulations, 2016, and consequently the property forms part of the liquidation estate and cannot be kept separate.
- 22.31. It is submitted that the Liquidator repeatedly sought delivery of the original title documents of the Sigma-9 property from Bank of Maharashtra between 06.02.2024 and 24.06.2024, and the same was recorded in the 3rd to 7th SCC Meeting Minutes, annexed as **Annexure R-8**.
- 22.32. It is further submitted that during the 3rd SCC Meeting, SBOD, vide email dated 22.01.2024, disputed the claim that the Sigma-9 property stood mortgaged to IDBI Bank and requested verification from IDBI Bank. Pursuant thereto, the Liquidator obtained the status of the property from IDBI Bank and Bank of Baroda through their authorised representatives.
- 22.33. It is submitted that, in view of the DRT order dated 08.11.2019 in OA No. 282 of 2017 and the No Due Certificate dated 20.03.2015 issued by Bank of Maharashtra, the Chairman requested Bank of Maharashtra on 06.02.2024 to hand over the original title documents of the Sigma-9 property to IDBI Bank and Bank of Baroda, being the first charge holders, while Bank of Maharashtra would remain only a second charge holder for

any subsequent lending.

- 22.34. It is submitted that the letter dated 26.06.2024 issued by the suspended management, immediately after the order dated 21.06.2024 in IA Nos. 63 and 94 of 2022 directing delivery of possession to the Liquidator, indicates an attempt to have the Sigma-9 property excluded from the liquidation estate. A copy of the order dated 21.06.2024 is annexed as **Annexure R-9**.
- 22.35. The judgment in *Bizloan Private Limited v. Amit Poddar*, relied upon by the Applicant, is not applicable to the facts of the present case.
- 22.36. It is submitted that the present appeal is hopelessly barred by limitation, as the claim filed by M/s Areion Finserve Pvt. Ltd. on 06.07.2024 was rejected on 15.07.2024 and the appeal therefrom (IA No. 341 of 2025) was filed with a delay of 180 days, contrary to the statutory period of 14 days prescribed under Section 42 of the IBC, 2016. It is further submitted that delay ought not to be condoned in favour of a litigant guilty of inaction, negligence or lack of bona fide.
- 22.37. It is submitted that the plea of only a three-day delay is incorrect, as the claim filed by M/s Areion Finserve Pvt. Ltd. on 06.07.2024 was rejected on 15.07.2024 for being delayed by 240 days and the appeal thereagainst (IA No. 341 of 2025) was filed with a delay of 180 days; accordingly, the present appeal is also stated to be hopelessly barred by limitation.
- 22.38. It is further submitted that courts and tribunals ought to be slow in condoning delay in favour of litigants guilty of

inaction, negligence, laches or lack of bona fides, as reiterated by the Hon'ble NCLAT.

- i. *The Regional Provident Fund Commissioner, Employees Provident Fund Organisation v. Mr. Vasudevan, Resolution Professional & Liquidator of M/s Titanium Tantalum Products Limited [Company Appeal (AT) (CH) (INS) No. 182 of 2022 & IA No. 415 of 2022] (para 42 & 43)*
- ii. *The Deputy Commissioner Commercial Taxes (Audit), Raichur v. Surana Industries Ltd. (In Liquidation) & Anr., Company Appeal (AT) (Insolvency) No. 1525 of 2019 dated 07.02.2020*
- iii. *Employees State Insurance Corporation v. Chinnam Poorna Chandra Rao [2020 ibclaw.in 180 NCLAT]*
- iv. *State of Madhya Pradesh v. Bherulal [SLP (C) Diary No. 9217 of 2020]*

22.39. It is further submitted that this Tribunal, in IA Nos. 680 and 870 of 2025 concerning the Corporate Debtor, declined to condone delays of 549 days and 601 days in filing claims before the Liquidator. Copies of the said orders are annexed as **Annexure R-10**.

22.40. It is submitted that none of the reliefs sought by the Applicant are maintainable in an appeal under Section 42 of the IBC, 2016, as no specific decision of the Liquidator has been challenged.

**23.** The Applicant/Raj Radhe Limited, has also filed its **rejoinder** to the reply of the Respondent on 12.02.2026 vide Inward

Diary No. D-1311, the contents whereof are reproduced hereinbelow: -

- 23.1. It was contended that upon execution of the Assignment Agreement dated 02.05.2025, the Applicant stepped into the shoes of Areion Finserve Private Limited and acquired the same rights and remedies, and therefore the rejection of AFPL's claim was challengeable under Section 42 of the Code.
- 23.2. The Applicant submitted that the Tribunal possesses jurisdiction under Section 60(5) of the Code read with Rule 11 of the NCLT Rules, 2016 to entertain the present application.
- 23.3. It was contended that the Respondent-Liquidator adopted a hyper-technical approach and that IA No. 341 of 2025 ought to be restored by substituting the Applicant in place of AFPL.
- 23.4. The Applicant alleged that the Liquidator failed to independently verify the charges registered with RoC and CERSAI and merely relied upon the verification carried out by the erstwhile Resolution Professional.
- 23.5. It was further contended that neither IDBI Bank nor Bank of Baroda had asserted any claim over the Sigma-9 property and questioned the stand taken by the Liquidator regarding their alleged first charge.
- 23.6. The Applicant submitted that AFPL became aware of the liquidation proceedings only on 26.06.2024 and immediately approached the Liquidator for submission of

its claim.

23.7. It was alleged that no independent due diligence was undertaken by the Liquidator after assuming charge and that IA No. 440 of 2025 was filed only as a counterblast to the proceedings initiated by AFPL.

23.8. The Applicant relied upon the judgment in Rainbow Papers and contended that AFPL had acted diligently in asserting its rights and prayed for admission of the claim and permission to realize the subject property under Section 52 of the Code.

**24.** The Applicant filed its **written submissions** on 24.03.2026 vide Inward Diary No. D-2650, wherein reliance has been placed upon the following judgments: -

- i. *Bizloan Pvt. Ltd. Vs. Amit Poddar (Liquidator) – Company Appeal (AT)(Ins) No. 210 of 2024 decided on 3.7.2025 (NCLAT New Delhi)*
- ii. *Total Tools & Equipments (P) Ltd. Vs. Mr. CA Sandeep D. Maheshwari, Liquidator of Shiv Mfg. Pipes Pvt. Ltd. in IA No. 1202 of 2022 decided on 3.7.2023 (NCLT Mumbai)*
- iii. *State Tax Officer v. Rainbow Papers Limited (2022 SCCOnline SC 1162)*

**25.** Further, the Respondent/Liquidator has also filed its **written submissions** on 25.03.2026 vide Inward Diary No. D - 2685, wherein reliance has been placed upon the following judgements: -

- i. *The Regional Provident Fund Commissioner Employees Provident Fund Organisation Vs. Mr. Vasudevan Resolution Professional & Liquidator of M/s. Titanium Tantalum Products Limited (Company Appeal (AT) (CH) (INS) No. 182 of 2022 & IA No. 415 of 2022)*
- ii. *The Deputy Commissioner Commercial Taxes (Audit), Raichur Vs-Surana Industries Ltd. (In Liquidation) & Anr. in Company Appeal (AT) (Insolvency) No. 1525 of 2019 dated 07.02.2020*
- iii. *Employees State Insurance Corporation vs. Chinnam Poorna Chandra Rao MA/27 (CHE)/ 2021 in CP/872/IB/2018*
- iv. *The State of Madhya Pradesh v. Bherulal (Special Leave Petition (C) Diary No.9217 Of 2020,*
- v. *The State of Madhya Pradesh v. Ramkumar Chaudhary (Special Leave Petition (C) Diary No.48636 Of 2024*

**26.** Further, through **IA 525 OF 2025**, the liquidator has placed the facts on record in the following manner: –

26.1. The Applicant/Liquidator filed the present application under Rule 11 read with Rule 155 of the NCLT Rules, 2016, seeking amendment of IA No. 440 of 2025 for incorporation of an additional consequential prayer as (g) “directing Respondent Nos. 1 and 8 to hand over the original title deeds/documents pertaining to the property bearing House No. 9, Sigma Corporate, Behind Rajpath Club, Bodakdev, Ahmedabad-380054, to the Liquidator”.

**27.** The Respondent No. 1 filed its **reply** on 20.04.2026 vide

Inward Diary No. D-3405, the contents whereof are reproduced below:

- 27.1. Respondent No. 1 submitted that the amendment application seeking a direction to hand over the original title deeds of the Sigma-9 property is not maintainable and is founded on the erroneous assumption that setting aside the assignment deed would automatically vest the title deeds in the Liquidator.
  - 27.2. It was contended that, in the event the assignment deed is set aside, Bank of Maharashtra would be restored to its position as the secured creditor and the original title deeds would continue to vest with Bank of Maharashtra, which retains independent rights under Section 52 of the Code.
  - 27.3. Respondent No. 1 further submitted that during the pendency of IA No. 440 of 2025, it had assigned its rights in respect of the Sigma-9 property to Respondent No. 8, Raj Radhey Finance Limited, and therefore any direction against Respondent No. 1 for handing over the title deeds has become infructuous.
  - 27.4. The relief sought raises independent questions of law and fact and cannot be treated as a consequential prayer in the amendment application. Accordingly, dismissal of the application was sought.
- 28.** Further, the Respondent No. 8/Raj Radhe Finance Limited filed its **reply** on 20.04.2026 vide Inward Diary No. D-3406, the contents whereof are reproduced below:

- 28.1. Respondent No. 8 submitted that the amendment sought in IA No. 525 of 2026 introduces a new and independent relief, substantially altering the nature and scope of IA No. 440 of 2025.
- 28.2. It was contended that the proposed amendment is neither consequential nor ancillary to the original prayers and gives rise to a fresh cause of action requiring separate adjudication.
- 28.3. Reliance was placed on Order VI Rule 17 of the CPC to submit that amendments sought after commencement of trial require due diligence, which is absent in the present case.

**"17. AMENDMENT OF PLEADINGS**

The Court may at any stage of the proceedings allow either party to alter or amend his pleadings in such manner and on such terms as may be just, and all such amendments shall be made as may be necessary for the purpose of determining the real questions in controversy between the parties:

*Provided that no application for amendment shall be allowed after the trial has commenced, unless the Court comes to the conclusion that in spite of due diligence, the party could not have raised the matter before the commencement of trial."*

(emphasis supplied)

- 28.4. It was argued that the Applicant has repeatedly filed affidavits and applications immediately before hearings, thereby delaying final adjudication and causing multiplicity of proceedings.

- 28.5. Respondent No. 8 pointed out that an earlier amendment application (IA No. 889 of 2025) had already been allowed and that the present amendment has been sought belatedly despite the Applicant having sufficient opportunity to raise the relief earlier.
- 28.6. It was further submitted that if the title deeds constitute assets of the Corporate Debtor, the Liquidator has adequate remedies under Section 35 of the IBC and cannot seek such relief through a belated amendment in a pending application.
- 28.7. Reliance was placed on the judgment of the Hon'ble Supreme Court in ***Revajeetu Builders and Developers v. Narayanaswamy & Sons (2009) 10 SCC 84*** to contend that amendments causing change in the nature of proceedings, prejudice to the opposite party, and sought after undue delay ought not to be allowed.
- 28.8. Respondent No. 8 prayed for dismissal of the amendment application with costs, alleging abuse of process, multiplicity of proceedings, and deliberate prolongation of litigation by the Applicant.
29. The Applicant/Liquidator filed a **Rejoinder to the replies filed by Respondent Nos. 1 and 8**, controverting the averments made therein, on 22.03.2026 vide Inward Diary No. D-3477. The same is reproduced below: -
- 29.1. The Applicant/Liquidator filed the present rejoinder controverting the replies filed by Respondent Nos. 1 and 8

and submitted that, save and except what is specifically admitted, all averments made therein are denied.

- 29.2. It was submitted that Respondent Nos. 1 and 8 have merely made bald denials and have failed to place any supporting material on record to rebut the allegations made in IA No. 440 of 2025.
- 29.3. The Applicant submitted that IA No. 440 of 2025 challenges the Assignment Deed dated 27.10.2023, registered on 30.11.2023, executed between Areion Finserve Private Limited (Respondent No. 1) and Bank of Maharashtra (Respondent No. 4), whereby the debt of Gondwana Engineers Limited was assigned, which also included the property of the Corporate Debtor situated at House No. 9, Sigma Corporate, Behind Rajpath Club, Bodakdev, Ahmedabad.
- 29.4. It was contended that Bank of Maharashtra did not possess the first charge over the said property and, therefore, the assignment could not have been effected.
- 29.5. It was further submitted that during the pendency of IA No. 440 of 2025, Respondent No. 1 further assigned the debt to Respondent No. 8, Raj Radhe Finance Limited, under an Assignment Agreement dated 02.05.2025. Consequently, IA No. 889 of 2025 was filed for impleadment of Respondent No. 8 and amendment of pleadings, which came to be allowed by this Tribunal vide order dated 02.12.2025.
- 29.6. The Applicant contended that allowing the amendment sought in IA No. 525 of 2026 would result in setting aside both the original assignment between Respondent Nos. 1

and 4 and the subsequent assignment between Respondent Nos. 1 and 8.

- 29.7. Reliance was placed upon the DRT, Ahmedabad order dated 08.11.2019 passed in OA No. 282 of 2017, wherein it was held that Dena Bank (now Bank of Baroda) and IDBI Bank were first charge holders over the Sigma-9 property and any subsequent loan granted by Bank of Maharashtra would remain subordinate to their rights.
- 29.8. The Applicant denied the contention regarding return of original title deeds and submitted that the whereabouts of the title deeds and transactions inter se Respondent Nos. 1 and 8 are not within its knowledge and, therefore, directions have been sought for handing over the original title deeds from either of them.
- 29.9. It was submitted that the amendment sought is only consequential in nature and intended to facilitate recovery of the original title deeds of the Corporate Debtor and that the Liquidator has been diligently conducting the liquidation process in accordance with the provisions of the Code and the Regulations framed thereunder.
- 29.10. The Applicant contended that the present amendment application has been preferred under Rule 11 read with Rule 155 of the NCLT Rules, 2016 and that the amendment is necessary for determining the real controversy involved in the proceedings.
- 29.11. It was further submitted that the pleadings were completed on 25.03.2026 and the present application was filed on 30.03.2026, i.e., within the thirty-day period contemplated

under Rule 155.

- 29.12. It was further alleged that Respondent No. 8 has adopted a dilatory approach. Though IA No. 889 of 2025 for its impleadment was opposed by Respondent No. 8, the same Respondent has filed IA No. 1137 of 2025 asserting rights as assignee of Respondent No. 1.
- 29.13. It was also pointed out that despite directions dated 02.12.2025 to file reply within fourteen days, Respondent No. 8 sought repeated extensions and ultimately filed its reply only on 10.02.2026. Further, pursuant to order dated 08.04.2026, the replies of Respondent Nos. 1 and 8 were served upon the Applicant only on 18.04.2026.
- 29.14. Accordingly, the Applicant prayed that IA No. 525 of 2026 be allowed and necessary amendments in IA No. 440 of 2025 be permitted.
- 30.** We have heard the Learned Counsel appearing for the Applicant/Liquidator and the Learned Counsel appearing for the respective Respondents in IA No. 440 of 2025, IA No. 1137 of 2025 and IA No. 525 of 2026. We have also perused the pleadings, replies, rejoinders, written submissions, affidavits, minutes of the Stakeholders' Consultation Committee, orders passed by the Debt Recovery Tribunal, Ahmedabad and the documents placed on record. Based on the prayers in all the three IAs the following issues arise for determination:

- i. **Issue No. 1:** - Whether IDBI Bank and Dena Bank (now Bank of Baroda) acquired first charge over the Sigma-9 Property upon discharge of the earlier dues of Bank of Maharashtra by the Corporate Debtor (Doshion Private Limited) and what is the nature and effect of the mortgage subsequently created by Gondwana Engineers Limited in favour of Bank of Maharashtra?
- ii. **Issue No. 2:** - Whether the assignment of debt by Bank of Maharashtra to Areion Finserve Private Limited and thereafter to Raj Radhe Finance Limited confers any rights upon the assignees and whether this Adjudicating Authority is required to examine the validity of such assignment transactions?
- iii. **Issue No.3:** - Whether Bank of Maharashtra and its assignees failed to exercise their option to realise the security interest within the period prescribed under Section 52 of the Insolvency and Bankruptcy Code, 2016 read with Regulation 21A of the IBBI (Liquidation Process) Regulations, 2016, and whether the rejection of claim challenged in IA No. 1137 of 2025 warrants interference under Section 42 of the Code?
- iv. **Issue No. 4:** - Whether the Sigma-9 Property forms part of the liquidation estate of the Corporate Debtor and whether the Liquidator is entitled to take custody and control thereof, including the original title deeds?

**31. Observation and Directions of this Tribunal: -**

- 31.1. IA No. 440 of 2025 has been filed by the Liquidator under Section 60(5) of the Insolvency and Bankruptcy Code, 2016 read with Rule 11 of the NCLT Rules, 2016, inter alia, seeking appropriate directions in relation to the Assignment Agreement dated 27.10.2023 executed between Bank of Maharashtra and Areion Finserve Private Limited and the subsequent Assignment Agreement dated 02.05.2025 executed between Areion Finserve Private

Limited and Raj Radhe Finance Limited, to the extent they relate to the Sigma-9 Property.

31.2. During pendency of the aforesaid proceedings, Raj Radhe Finance Limited filed IA No. 1137 of 2025 under Section 42 read with Section 60(5)(c) of the Code read with Rule 11 of the NCLT Rules, 2016 challenging the rejection of claim originally filed by Areion Finserve Private Limited and seeking recognition of its rights as assignee of the debt originally assigned by Bank of Maharashtra.

31.3. IA No. 525 of 2026 has been filed by the Liquidator seeking amendment in IA No. 440 of 2025 for incorporation of a consequential prayer seeking handover of the original title deeds pertaining to the Sigma-9 Property to the Liquidator.

31.4. The relevant chronology of events is reproduced hereinbelow: -

Sr. No.	Date	Event
1.	30.12.2009	Doshion Private Limited purchased House No. 9, Sigma Corporate, Bodakdev, Ahmedabad ("Sigma-9 Property").
2.	07.01.2010	Bank of Maharashtra sanctioned Loan Against Property (LAP) facility and created equitable mortgage over Sigma-9 Property.
3.	2012	IDBI Bank sanctioned credit facilities of Rs.75 Crores and Dena Bank sanctioned facilities aggregating Rs.65 Crores to Doshion Private Limited.
4.	10.09.2012	Bank of Maharashtra issued No Objection Certificate permitting creation of second pari passu charge in favour of IDBI Bank and Dena Bank. (Annexure D of IA 440 of 2025).
5.	16.01.2013	Memorandum recording extension of equitable mortgage came to be executed.

6.	20.08.2014	IDBI Bank restructured credit facilities granted to Doshion Private Limited (Pages 98 to 193 part of Annexure E of IA 440 of 2025).
7.	12.09.2014	Dena Bank restructured its credit facilities and continued to record second pari passu charge over Sigma-9 Property. (Pages 86 to 97 of Application IA 440 of 2025).
8.	11.03.2015	Joint Lenders Meeting was held amongst lenders.
9.	20.03.2015	Bank of Maharashtra issued No Due Certificate in respect of its earlier Loan Against Property facility (Page 202 of IA 440 of 2025).
10.	20.03.2015	Gondwana Engineers Limited executed a Simple Mortgage Deed in favour of Bank of Maharashtra with Doshion Private Limited as guarantor and mortgaging Sigma-9 Property.
11.	06.04.2015	Bank of Maharashtra communicated that no second charge was to be created without approval from competent authority.
12.	08.05.2017	Bank of Baroda instituted OA No. 282 of 2017 before DRT, Ahmedabad.
13.	08.11.2019	DRT Ahmedabad held that Dena Bank (now Bank of Baroda) and IDBI Bank became first charge holders and that subsequent loans granted by Bank of Maharashtra would remain subordinate thereto.
14.	2020	Gondwana Engineers Limited filed Review Application No. 1 of 2020 against the DRT order dated 08.11.2019.
15.	31.08.2021	Doshion Private Limited was admitted into CIRP in CP (IB) No. 59 of 2019.
16.	30.11.2021	Bank of Maharashtra filed OA No. 348 of 2021 before DRT, Nagpur against Gondwana Engineers Limited and others.
17.	30.08.2023	Gondwana Engineers Limited approached Areion Finserve Pvt. Ltd. for funding the OTS amount payable to Bank of Maharashtra.
18.	14.09.2023	Areion Finserve sanctioned financial assistance to Gondwana Engineers Limited.
19.	03.10.2023	Doshion Private Limited was ordered to be liquidated and Liquidator was appointed.

20.	11.10.2023	Public Announcement was issued inviting claims from stakeholders.
21.	17.10.2023	Charge in favour of Areion Finserve came to be registered with CERSAI.
22.	27.10.2023	Assignment Agreement was executed between Bank of Maharashtra and Areion Finserve Private Limited.
23.	30.11.2023	Assignment Agreement between Bank of Maharashtra and Areion Finserve came to be registered.
24.	08.11.2023	Last date for submission of claims in liquidation proceedings of Doshion Private Limited.
25.	08.12.2023	Last date for verification of claims. No claim was filed by Bank of Maharashtra.
26.	February 2024 – June 2024	Liquidator repeatedly sought original title deeds from Bank of Maharashtra.
27.	21.06.2024	This Tribunal passed orders in IA Nos. 63 of 2022 and 94 of 2022 directing handing over possession of properties to the Liquidator.
28.	26.06.2024	Gondwana Engineers Limited addressed communication to Areion Finserve asserting rights over Sigma-9 Property and requesting exercise of rights under Section 52 of the Code.
29.	06.07.2024	Areion Finserve filed Form-D claim before the Liquidator.
30.	15.07.2024	Liquidator rejected the claim of Areion Finserve on grounds of delay and non-compliance with Regulation 21A.
31.	16.08.2024	Areion Finserve sought reconsideration of its claim by the liquidator.
32.	07.09.2024	Liquidator reiterated rejection of the claim.
33.	10.01.2025	Liquidator filed IA No. 275 of 2025.
34.	24.01.2025	Areion Finserve filed IA No. 231 of 2025 seeking condonation of delay and IA No. 341 of 2025 challenging rejection of claim.
35.	25.02.2025	IA No. 275 of 2025 was withdrawn with liberty to file a fresh application.
36.	12.03.2025	Liquidator filed IA No. 440 of 2025.

37.	16.04.2025	Notice came to be issued in IA No. 440 of 2025.
38.	02.05.2025	Areion Finserve assigned the debt in favour of Raj Radhe Finance Limited.
39.	10.06.2025	Statement was made before this Tribunal that the debt had been assigned to Raj Radhe Finance Limited.
40.	08.07.2025	IA Nos. 231 of 2025 and 341 of 2025 came to be dismissed for non-prosecution.
41.	22.09.2025	Raj Radhe Finance Limited filed IA No. 1137 of 2025 under Section 42 of the Code.
42.	01.04.2026	Liquidator filed IA No. 525 of 2026 seeking amendment and consequential prayer for handover of original title deeds.

**32.** After briefly stating the background facts, we now deal with each of the identified issue one by one.

**33. Findings on Issue No. 1:** - Whether IDBI Bank and Dena Bank (now Bank of Baroda) acquired first charge over the Sigma-9 Property upon discharge of the earlier dues of Bank of Maharashtra by the Corporate Debtor (Doshion Private Limited) and what is the nature and effect of the mortgage subsequently created by Gondwana Engineers Limited in favour of Bank of Maharashtra?

33.1. The present issue pertains to the inter se priority of charges over House No. 9, Sigma Corporate, situated behind Rajpath Club, Bodakdev, Ahmedabad ("Sigma-9 Property"), belonging to the Corporate Debtor. It is borne out from the record that the Corporate Debtor acquired the aforesaid property vide registered Sale Deed dated 30.12.2009.

- 33.2. Subsequently, Bank of Maharashtra, Ashram Road Branch, Ahmedabad sanctioned Loan Against Property facilities aggregating to Rs.3.20 Crores in favour of the Corporate Debtor and, as security thereof, an equitable mortgage over the Sigma-9 Property was created in favour of Bank of Maharashtra on 07.01.2010. Consequently, Bank of Maharashtra became the exclusive and first charge holder over the Sigma-9 Property.
- 33.3. Thereafter, IDBI Bank sanctioned credit facilities aggregating to Rs.75 Crores to the Corporate Debtor vide sanction letter dated 20.08.2012 and Dena Bank sanctioned various fund based and non-fund-based facilities aggregating to Rs.65 Crores. Since the Sigma-9 Property already stood mortgaged in favour of Bank of Maharashtra, the Corporate Debtor approached Bank of Maharashtra seeking NOC for creation of second pari passu charge over the said property in favour of IDBI Bank and Dena Bank.
- 33.4. Bank of Maharashtra issued a No Objection Certificate dated 10.09.2012(Annexure D to the application of IA 440) addressed to M/s Doshian Private Limited, who had made request to the BoM, permitting IDBI Bank and Dena Bank to create second pari passu charge over corporate house, House No. 9, Sigma Corporate, Bodakdev, Ahmedabad.
- 33.5. Pursuant thereto, a Memorandum to Record Extension of Equitable Mortgage dated 16.01.2013 came to be executed in favour of IDBI Bank and Dena Bank, whereby the

security interest over the Sigma-9 Property stood extended in their favour. Consequently, with effect from 16.01.2013, IDBI Bank and Dena Bank acquired a second pari passu charge over the Sigma-9 Property, subordinate only to the first charge held by Bank of Maharashtra.

- 33.6. Thereafter, IDBI Bank restructured the facilities granted to the Corporate Debtor on 20.08.2014. Page 102 of the Application 440 of 2025 is Appendix 1 being Terms and Conditions of the Restructured Package dated 20.08.2014 which under the heading collateral security, the second par-passu charge on the office of the company at Sigma 9 corporate Park, Ahmedabad is stated.
- 33.7. Dena Bank also vide letter of 12.09.2014 restructured credit facility and detailed terms and conditions under the heading collateral security states second parri-pasu charge on the office of the company at 9 Sigma Corporate Park, Ahmedabad.
- 33.8. Respondent Nos.1, 4 and 8 contended that upon restructuring of the facilities by IDBI Bank and Dena Bank, the earlier security arrangement created pursuant to the No Objection Certificate dated 10.09.2012 and the Memorandum dated 16.01.2013 stood extinguished and, in the absence of a fresh No Objection Certificate from Bank of Maharashtra, the charge claimed by IDBI Bank and Dena Bank ceased to subsist.
- 33.9. This Adjudicating Authority is unable to accept the aforesaid contention. The continued recognition of the

Sigma-9 Property as collateral security under the restructured facilities clearly establishes that the restructuring merely continued the existing security arrangement and did not extinguish the security interest created pursuant to the No Objection Certificate dated 10.09.2012 and the Memorandum dated 16.01.2013.

33.10. The No Objection Certificate issued by Bank of Maharashtra related to the creation of security in favour of IDBI Bank and Dena Bank and did not contain any stipulation restricting its continuance upon restructuring of the facilities. The IDBI Bank and Dena Bank restructured the facilities but continued the second pari-passu charge over the properties and it was the corporate debtor whose facilities were restructured and who was a party to all the communications and agreements.

33.11. Page 202 of IA 440 of 2025 is a copy of No Dues Certificate issued by BOM on 20.03.2015 stating that term loan A/c No. 60036751493 in the name of M/s Doshian Private Limited is closed today with our branch (Ashram Road Branch) and no dues certificate for the above mentioned account was issued. Due to the issue of no dues certificate by the Bank of Maharashtra, the first charge held by Bank of Maharashtra over Sigma-9 Property stood vacated.

33.12. Consequently, upon satisfaction of the dues secured by the mortgage of Sigma-9 of Bank of Maharashtra on 20.03.2015, the security interest already subsisting in favour of IDBI Bank and Dena Bank under the No

Objection Certificate dated 10.09.2012 and the Memorandum to Record Extension of Equitable Mortgage dated 16.01.2013 automatically assumed the position of first charge over the Sigma-9 Property. The second charge on the Sigma -9 got upgraded to first charge due to vacation of first charge by the Bank of Maharashtra, Ashram Road Branch, Ahmedabad.

33.13. Pages 228 to 230 of IA 440 of 2025 is a copy of letter dated 19.03.2015 from Bank of Maharashtra, Corporate Finance Branch, Pune addressed to Gondwana Engineers Limited regarding request for restructure cum enhancement of credit facilities and paragraph 4 of the letter states that all the above facilities are to be further secured by mortgage of following properties and that include Mortgage of House No.9, Sigma 1 Corporate House in the name of Doshian Private Limited. Paragraph 5 states that LAP in respect of property situated as House No.9 Sigma Corporate, Behind Rajpath Club, Sarkhej-Gandhinagar be closed before implementation of the above sanction. The above condition indicates that the LAP must be closed first and then a new mortgage could be created.

33.14. It is an admitted position that immediately upon issuance of the No Due Certificate dated 20.03.2015 by Bank of Maharashtra, Ashram Road Branch, Ahmedabad in respect of the Loan Against Property facilities of the Corporate Debtor, fresh credit facilities were sanctioned by Bank of Maharashtra, Pune to Gondwana Engineers Limited and,

on the very same day, a Simple Mortgage Deed came to be executed whereby the Sigma-9 Property belonging to the Corporate Debtor was offered as security for the independent credit facilities granted to Gondwana Engineers Limited. Doshion Private Private Limited was the guarantor to the facility granted to Gondwana Engineers Limited and Sigma-9 was mortgaged based on a simple mortgage agreement.

33.15. The said mortgage was not a continuation or renewal of the earlier Loan against Property mortgage but constituted a fresh and independent mortgage created to secure altogether different credit facilities granted to a different borrower. The first loan transaction of Doshion Private Limited with Bank of Maharashtra, Ahmedabad was already closed. The second and independent transaction was between Bank of Maharashtra, Pune Branch and Gondwana Engineers Limited in which Doshion Private Limited acted as a guarantor. Significantly, neither the sanction letter nor the Simple Mortgage Deed records that Bank of Maharashtra would continue to enjoy first charge over the Sigma-9 Property notwithstanding the pre-existing security interest of IDBI Bank and Dena Bank.

33.16. Respondent Nos.1, 4 and 8 further contended that, in the absence of a fresh No Objection Certificate from Bank of Maharashtra, the Simple Mortgage Deed dated 20.03.2015 conferred first charge upon Bank of Maharashtra and that the earlier No Objection Certificate and Memorandum

dated 16.01.2013 had exhausted their efficacy after restructuring.

- 33.17. Reliance was also placed upon the communication dated 06.04.2015 issued by Bank of Maharashtra, Pune Branch stating that no second charge should be created without approval of the competent authority.
- 33.18. In our considered view, the said communication was issued subsequent to the creation of the security interest in favour of IDBI Bank and Dena Bank under the NOC dated 10.09.2012 and Memorandum dated 16.01.2013 and cannot retrospectively extinguish or nullify rights already created thereunder. As noted above, the charge of IDBI and Dena Bank got automatically upgraded to first charge over the property Sigma-9.
- 33.19. The contention advanced by Respondent 1, 4 & 8 based on the registration of charge with the Registrar of Companies and CERSAI is also misconceived. Such registration evidences creation or modification of a security interest but does not determine the inter se priority of competing mortgages, which is governed by the substantive rights created under the respective mortgage transactions and the principle embodied in Section 48 of the Transfer of Property Act.
- 33.20. In **ICICI Bank Ltd. v. SIDCO Leathers Ltd. & Ors. (2017) ibclaw.in 103 SC**, the Hon'ble Supreme Court, while considering Section 48 of the Transfer of Property Act, held that inter se priority amongst secured creditors is

preserved and that rights subsequently created over an immovable property remain subject to rights previously created. Applying the said principle, the mortgage created by Bank of Maharashtra on 20.03.2015 could not override the pre-existing security interest of IDBI Bank and Dena Bank over the Sigma-9 Property.

- 33.21. The Simple Mortgage Deed dated 20.03.2015 was valid and enforceable qua the facilities extended to Gondwana Engineers Limited. However, having been created subsequent to the discharge of the earlier mortgage of Bank of Maharashtra, the rights flowing therefrom remained subordinate to the first charge already vested in IDBI Bank and Dena Bank by virtue of Section 48 of the Transfer of Property Act,
- 33.22. This Tribunal also finds support from the order dated 08.11.2019 passed by the learned DRT, Ahmedabad in OA No. 282 of 2017, wherein it was held that upon satisfaction of the dues of Bank of Maharashtra, IDBI Bank and Dena Bank acquired first charge over the Sigma-9 Property and that the subsequent mortgage in favour of Bank of Maharashtra would remain subordinate thereto.
- 33.23. Though Review Application No.1 of 2020 has been preferred against the aforesaid order by Gondwana Engineers Limited and not by Bank of Maharashtra, admittedly no order staying operation thereof has been brought to our notice. Consequently, the findings recorded in the judgment dated 08.11.2019 continue to hold the

field.

33.24. In view of the aforesaid discussion, we hold that upon issuance of a No Due Certificate dated 20.03.2015 and satisfaction of the earlier dues of Bank of Maharashtra, Ashram Road Branch Ahmedabad, the second pari passu charge already existing in favour of IDBI Bank and Dena Bank pursuant to the NOC dated 10.09.2012 and Memorandum dated 16.01.2013 stood upgraded to the status of first charge over the Sigma-9 Property.

33.25. Accordingly, while the Simple Mortgage Deed dated 20.03.2015 executed by Gondwana Engineers Limited in favour of Bank of Maharashtra was validly created; the rights flowing therefrom remained subordinate to the first charge already vested in IDBI Bank and Bank of Baroda. Accordingly, Issue No. (i) is answered in the aforesaid terms.

**34. Findings on Issue No. ii:** - Whether the assignment of debt by Bank of Maharashtra to Areion Finserve Private Limited and thereafter to Raj Radhe Finance Limited confers any rights upon the assignees and whether this Adjudicating Authority is required to examine the validity of such assignment transactions?

34.1. The record reveals that Gondwana Engineers Limited approached Areion Finserve Private Limited on 30.08.2023 for financial assistance to enable settlement of the dues of Bank of Maharashtra and Areion Finserve sanctioned such

financial assistance on 14.09.2023.

- 34.2. Thereafter, Bank of Maharashtra executed an Assignment Agreement dated 27.10.2023 in favour of Areion Finserve Private Limited, which came to be registered on 30.11.2023. By virtue of the Assignment Agreement dated 27.10.2023, Areion Finserve stepped into the shoes of Bank of Maharashtra and acquired only such rights as were available to Bank of Maharashtra under the Simple Mortgage Deed dated 20.03.2015. Areion Finserve Limited cannot get more rights than that available to Bank of Maharashtra.
- 34.3. During the pendency of IA No. 440 of 2025 and IA Nos. 231 and 341 of 2025, Areion Finserve Private Limited, vide Assignment Agreement dated 02.05.2025, assigned its rights in favour of Raj Radhe Finance Limited. The said fact was also brought to the notice of this Tribunal during the course of hearing and Raj Radhe Finance Limited thereafter instituted IA No. 1137 of 2025 under Section 42 of the Code challenging the rejection of the claim originally filed by Areion Finserve Private Limited.
- 34.4. The principal contention of the Liquidator is that the assignment transactions cannot confer any enforceable rights over the Sigma-9 Property and that the assignees cannot claim any rights superior to those available to Bank of Maharashtra.
- 34.5. On the other hand, Respondent Nos. 1 and 8 have contended that assignment of debt is permissible in law

and the assignee merely steps into the shoes of the assignor. It is their contention that the validity of the assignment transactions cannot be examined in summary proceedings under the Insolvency and Bankruptcy Code and that the assignee can claim no better rights than those available to the assignor.

34.6. Upon consideration of the rival submissions and the material placed on record, we are of the considered view that the controversy in the present proceedings is not with respect to the commercial wisdom or validity of the assignment transactions inter se between Bank of Maharashtra, Areion Finserve Private Limited and Raj Radhe Finance Limited.

34.7. In **ICICI Bank Ltd. v. Official Liquidator of APS Star Industries Ltd.**, Civil Appeal No. 8393 of 2010, the Hon'ble Supreme Court recognised the validity of assignment of debts by banks and held that an assignee is entitled to exercise only such rights as are vested in the assignor. Consequently, an assignee merely steps into the shoes of the assignor and cannot acquire any rights superior to those of the assignor.

34.8. Respondent Nos. 1, 4, 6, 7, 5 and 8 relied upon **T. Johnson v. Phoenix ARC Pvt. Ltd.**, **Lalan Kumar Singh v. Phoenix ARC Pvt. Ltd.** and **Ranjit Kapoor v. Asset Reconstruction Co. (India) Ltd.** to contend that the validity of an assignment cannot be examined in proceedings under the Code. There is no dispute with the

said proposition. Since this Adjudicating Authority is not adjudicating upon the validity of the Assignment Agreements but only the nature and extent of the rights transferred thereunder, the said decisions do not assist the Respondents.

34.9. Consequently, the execution of the Assignment Agreement dated 27.10.2023 by Bank of Maharashtra in favour of Areion Finserve Private Limited and the subsequent Assignment Agreement dated 02.05.2025 by Areion Finserve Private Limited in favour of Raj Radhe Finance Limited cannot be held to be invalid. Mere assignment of debt does not have the effect of enlarging, improving or altering the nature and priority of the underlying security interest.

34.10. In the present proceedings, the limited controversy concerns the nature and extent of the rights available under the security interest over Sigma-9 Property and the entitlement of the secured creditor to realise such security outside the liquidation process. In this case, the Bank of Maharashtra or Aerion Finserve or Raj Radhe had the rights available under the simple mortgage of Sigma-9 property by Doshion Private Limited as a guarantor of facilities granted by BOM to Gondwana Engineers Limited.

34.11. This Adjudicating Authority is not called upon to adjudicate disputes concerning the validity or enforceability of the assignment transactions themselves, nor is it required to set aside the same merely because the

underlying security forms part of the liquidation estate.

34.12. It is a settled principle of law, embodied in the maxim "nemo dat quod non habet", that an assignee merely steps into the shoes of the assignor and cannot acquire rights superior to those vested in the assignor.

34.13. Having held while deciding Issue No. (i) that the rights flowing from the Simple Mortgage Deed dated 20.03.2015 were only in the nature of a subsequent charge subordinate to the first charge held by IDBI Bank and Bank of Baroda, it necessarily follows that Areion Finserve Private Limited and thereafter Raj Radhe Finance Limited could acquire only such rights as were available to Bank of Maharashtra and nothing more. The assignment could not enlarge or improve the nature or priority of the underlying security interest.

34.14. Therefore, while this Tribunal finds no reason in the present proceedings to examine or invalidate the Assignment Agreement dated 27.10.2023 executed by Bank of Maharashtra in favour of Areion Finserve Private Limited or the subsequent Assignment Agreement dated 02.05.2025 executed by Areion Finserve Private Limited in favour of Raj Radhe Finance Limited, but we note that the rights flowing therefrom cannot travel beyond the nature and extent of the rights originally vested in Bank of Maharashtra.

34.15. Consequently, the assignees merely stepped into the shoes of Bank of Maharashtra and their rights, if any, over the

Sigma-9 Property remain subject to the nature and priority of the security interest held by Bank of Maharashtra and are liable to be determined in accordance with the provisions of the Code and the Liquidation Regulations. This is consistent with the principle that an assignee cannot claim a better title than the assignor, as held by the Hon'ble Supreme Court in **ICICI Bank Ltd. v. Official Liquidator of APS Star Industries Ltd.** (Civil Appeal No. 8393 of 2010).

34.16. Accordingly, Issue No. (ii) is answered by holding that the assignment transactions in favour of Areion Finserve Private Limited and Raj Radhe Finance Limited are not required to be adjudicated upon or set aside in the present proceedings and that the assignees can claim no rights superior to those originally available to Bank of Maharashtra.

**35. Findings on Issue No. iii:** - Whether Bank of Maharashtra and its assignees failed to exercise their option to realise the security interest within the period prescribed under Section 52 of the Insolvency and Bankruptcy Code, 2016 read with Regulation 21A of the IBBI (Liquidation Process) Regulations, 2016, and whether the rejection of claim challenged in IA No. 1137 of 2025 warrants interference under Section 42 of the Code?

35.1. The Corporate Debtor was admitted into CIRP vide order dated 31.08.2021 passed in CP (IB) No.59 of 2019 and was subsequently ordered to be liquidated vide order dated

03.10.2023 in IA No.769(AHM)/2021. Public Announcement under Regulation 12 of the Liquidation Process Regulations came to be issued on 11.10.2023 inviting claims from stakeholders.

35.2. In terms of Regulation 12 of the IBBI (Liquidation Process) Regulations, 2016, stakeholders were required to submit their claims or update their claims submitted during the corporate insolvency process within the period stipulated in the public announcement. As per Regulation 21A, a secured creditor intending to realise their security interest outside the liquidation process is required to intimate the Liquidator of such decision within thirty days from the liquidation commencement date. Claims were also required to be submitted in accordance with the public announcement issued under Regulation 12.

35.3. Admittedly, Bank of Maharashtra did not lodge any claim with the Liquidator pursuant to commencement of liquidation. Equally, no intimation under Section 52 of the Code read with Regulation 21A(1) of the Liquidation Process Regulations expressing its intention to realise its security interest outside liquidation was ever communicated by Bank of Maharashtra to the Liquidator.

35.4. Instead, Bank of Maharashtra executed Assignment Agreement dated 27.10.2023 in favour of Areion Finserve Private Limited, which came to be registered on 30.11.2023. Admittedly, even thereafter neither Bank of Maharashtra nor Areion Finserve intimated the Liquidator

of any decision to realise the security interest outside the liquidation process within the thirty days prescribed under Regulation 21A(1). No Form C or Form D of Schedule II, as required under Rule 21A was filed by either of them.

- 35.5. Further, no claim came to be filed before the Liquidator within the stipulated period. It is only on 06.07.2024, nearly nine months after commencement of liquidation proceedings and long after expiry of the prescribed timeline dated 08.11.2023, that Areion Finserve submitted Form-D before the Liquidator claiming rights over the Sigma-9 Property.
- 35.6. The Liquidator, vide communication dated 15.07.2024, rejected the claim of Areion Finserve, inter alia, on the ground of delay and non-compliance with Regulation 21A of the Liquidation Process Regulations. Though Areion sought reconsideration vide communication dated 16.08.2024, the Liquidator reiterated the rejection vide communication dated 07.09.2024.
- 35.7. Aggrieved thereby, Areion Finserve instituted IA No.231 of 2025 seeking condonation of delay and IA No.341 of 2025 challenging the rejection of claim. However, both the applications came to be dismissed by this Tribunal on 08.07.2025. No material has been placed on record to indicate that the order dated 08.07.2025 dismissing IA Nos. 231 of 2025 and 341 of 2025 has been stayed or set aside.
- 35.8. In the meanwhile, Areion Finserve executed Assignment

Agreement dated 02.05.2025 in favour of Raj Radhe Finance Limited and, on 06.09.2025, Raj Radhe Finance Limited instituted the present IA No.1137 of 2025 under Section 42 of the Code challenging the rejection of the claim originally filed by Areion Finserve.

- 35.9. It is the principal contention of Raj Radhe Finance Limited that being an assignee of Areion Finserve and consequently stepping into the shoes of Bank of Maharashtra, it is entitled to realise the security interest under Section 52 of the Code and that delay in filing the claim ought not to defeat substantive rights, particularly when no distribution of assets has taken place.
- 35.10. It is further contended that the charge of Bank of Maharashtra stood duly registered with ROC and CERSAI and, therefore, the claim ought to have been admitted.
- 35.11. We are unable to accept the aforesaid contention. Section 52 of the Code confers an option upon a secured creditor either to relinquish its security interest to the liquidation estate or realise the same outside liquidation.
- 35.12. The right conferred under Section 52 is required to be exercised in the manner and within the timeline prescribed under Regulation 21A. Proviso to Rule 21A, provides that, where a secured creditor does not intimate its decision within 30 days from the liquidation commencement date, the assets covered under its security interest shall be presumed to be part of the liquidation estate as provided under Regulation 21A(3) of the IBBI (Liquidation Process)

Regulations, 2016.

- 35.13. Admittedly, neither Bank of Maharashtra nor Areion Finserve nor Raj Radhe Finance Limited intimated their intention to realise the security interest within thirty days from the liquidation commencement date i.e. 03.10.2023. Furthermore, no claim was lodged by Bank of Maharashtra and the claim filed by Areion Finserve on 06.07.2024 was ex facie beyond the prescribed period.
- 35.14. Furthermore, IA Nos. 231 of 2025 and 341 of 2025 preferred by Areion Finserve seeking condonation of delay and challenging rejection of the claim came to be dismissed on 08.07.2025 and no material has been placed on record to indicate that the said order has been stayed or set aside.
- 35.15. Mere registration of charge with the Registrar of Companies or CERSAI only evidences the existence of a security interest and cannot dispense with the mandatory statutory requirements governing its enforcement. The right of a secured creditor to realise security outside liquidation is regulated by Section 52 of the Code and Regulation 21A of the Liquidation Process Regulations, compliance whereof is indispensable.
- 35.16. Equally, Raj Radhe Finance Limited cannot claim any rights superior to those available to Bank of Maharashtra or Areion Finserve. An assignee merely steps into the shoes of the assignor and takes the assignment subject to all equities, statutory disabilities and consequences attached to the rights of the assignor. Consequently, the non-

compliance committed by Bank of Maharashtra and Areion Finserve cannot be circumvented by virtue of the Assignment Agreement dated 02.05.2025 executed in favour of Raj Radhe Finance Limited

- 35.17. Insofar as the challenge to rejection of claim under Section 42 of the Code is concerned, we find no infirmity in the decision of the Liquidator. The rejection dated 15.07.2024 was based upon admitted facts, namely, delay in filing the claim and failure to comply with the mandatory requirements of Regulation 21A. In such circumstances, no case warranting interference under Section 42 of the Code is made out.
- 35.18. The above conclusion also finds support from the decision of the Hon'ble National Company Law Tribunal, Allahabad Bench in ***Phoenix ARC Pvt. Ltd. v. Mr. Kuldeep Verma, Liquidator***, (2024) ibclaw.in 233 NCLT, wherein it was held that compliance with the timelines prescribed under Regulation 21A is mandatory and that failure thereof results in the secured asset becoming part of the liquidation estate under Regulation 21A(3).
- 35.19. Reliance was also placed by the Liquidator upon the judgment of the Hon'ble NCLAT in ***Deputy Commissioner Commercial Taxes v. Surana Industries Ltd. (Company Appeal (AT) (Ins.) No.1525 of 2019)***, wherein it was reiterated that liquidation is a time-bound process and belated claims cannot be entertained as a matter of course. The said principle fortifies the view that compliance with

the timelines prescribed under the Code and the Liquidation Regulations cannot be disregarded.

35.20. Respondent No. 8 relied upon various decisions to contend that delay in complying with the prescribed timelines should not defeat the substantive rights of a secured creditor. The said decisions are distinguishable, as they were rendered in different factual contexts and did not consider the statutory consequences of non-compliance with Regulation 21A. In the present case, failure to exercise the option under Section 52 within the prescribed period attracts the consequences expressly provided under Regulation 21A.

35.21. Accordingly, we hold that Bank of Maharashtra and its assignees, namely Areion Finserve Private Limited and Raj Radhe Finance Limited, failed to exercise their rights as secured creditors in the manner contemplated under Section 52 of the Insolvency and Bankruptcy Code, 2016 read with Regulation 21A of the IBBI (Liquidation Process) Regulations, 2016 and, consequently, are not entitled to realise the security interest outside the liquidation process.

35.22. Consequently, the rejection of claim challenged in IA No.1137 of 2025 does not warrant interference under Section 42 of the Code. Issue No. (iii) is answered accordingly.

**36. Findings on Issue No. iv:** - Whether the Sigma-9 Property forms part of the liquidation estate of the Corporate Debtor

and whether the Liquidator is entitled to take custody and control thereof, including the original title deeds?

- 36.1. In view of the findings recorded under Issue Nos. (i) to (iii) regarding the nature and priority of the security interest over the Sigma-9 Property and the failure of Bank of Maharashtra and its assignees to exercise their rights within the timelines prescribed under the Code and the Liquidation Regulations, the question which survives for consideration is whether the Sigma-9 Property forms part of the liquidation estate and whether the Liquidator is entitled to take custody and control thereof, including the original title deeds.
- 36.2. Upon commencement of liquidation, the assets of the Corporate Debtor became liable to be dealt with in accordance with Chapter III of Part II of the Code and the Liquidator became obligated under Section 35 to take custody and control thereof. The record reveals that during the liquidation process, the Liquidator continuously made efforts to obtain possession of the properties and title documents of the Corporate Debtor.
- 36.3. The Minutes of the 3rd, 4th, 5th, 6th and 7th meetings of the Stakeholders' Consultation Committee reflect that the issue regarding Sigma-9 Property and recovery of original title deeds was repeatedly deliberated. The Liquidator also addressed several communications to Bank of Maharashtra requesting return of the original title deeds. However, the same were not handed over.

- 36.4. It is further pertinent to note that this Adjudicating Authority, vide common order dated 21.06.2024 passed in IA Nos. 63 of 2022 and 94 of 2022, directed handing over of possession of the properties of the Corporate Debtor, to the Liquidator. Despite the aforesaid order, disputes concerning the rights claimed by Bank of Maharashtra and subsequently by Areion Finserve Private Limited and Raj Radhe Finance Limited continued to subsist.
- 36.5. The contention of Respondent Nos. 1 and 8 that the title deeds cannot be handed over to the Liquidator and that the same should continue with the assignees or revert to Bank of Maharashtra cannot be accepted.
- 36.6. As held while deciding Issue No. iii, neither Bank of Maharashtra nor its assignees exercised the option available under Section 52 within the period prescribed under Regulation 21A(1). Consequently, by virtue of proviso to Regulation 21A (1) and Regulation 21A (3), the asset namely Sigma-9 covered under security interest shall be presumed to be part of the liquidation estate.
- 36.7. It is also not in dispute that IDBI Bank and Bank of Baroda, being the secured creditors holding superior charge over the Sigma-9 Property, duly filed their claims before the Liquidator and elected to relinquish their respective security interests to the liquidation estate in terms of Section 52 of the Code. Consequently, the Sigma-9 Property stood available for administration and realization by the Liquidator for the benefit of all stakeholders.

- 36.8. Though the rights flowing from the Simple Mortgage Deed dated 20.03.2015 validly subsisted and stood assigned in favour of Areion Finserve Private Limited and thereafter Raj Radhe Finance Limited, such rights remained subject to the consequences flowing from non-compliance with Regulation 21A. Consequently, neither the assignor nor the assignees can now seek to retain possession of the title deeds or claim any right inconsistent with the administration of the liquidation estate.
- 36.9. We also find merit in the submission of the Liquidator that once the Sigma-9 Property forms part of the liquidation estate, custody and control over the property necessarily includes custody and control over the title documents pertaining thereto.
- 36.10. The powers conferred upon the Liquidator under Section 35(1)(b), Section 35(1)(d) and Section 35(1)(n) of the Insolvency and Bankruptcy Code, 2016 cast an obligation upon the Liquidator to take into his custody and control all assets, properties, actionable claims, books and records of the Corporate Debtor and to preserve and protect the assets of the Corporate Debtor for the benefit of all stakeholders.
- 36.11. The contention advanced by Respondent Nos. 1 and 8 that the prayer for handing over of original title deeds introduces a new cause of action and cannot be treated as consequential relief is also devoid of merit.
- 36.12. Once the Sigma-9 Property is held to be part of the

liquidation estate and the Liquidator is found entitled to take custody and control thereof under Section 35 of the Code, the relief seeking delivery of the original title deeds is merely ancillary and consequential to the principal relief. The inability of the Liquidator to secure custody of the original title deeds would defeat effective administration and realization of the assets of the Corporate Debtor.

36.13. Respondent Nos. 8 relied upon ***Revajeetu Builders & Developers v. Narayanaswamy & Sons*** to contend that the proposed amendment introduces a new cause of action. The reliance is misplaced. The amendment neither alters the nature of the proceedings nor introduces a new controversy; it merely seeks consequential relief flowing from the principal issue concerning the Sigma-9 Property and is therefore ancillary to the main relief.

36.14. In terms of Section 36(3) of the Insolvency and Bankruptcy Code, 2016, all assets over which the Corporate Debtor has ownership rights form part of the liquidation estate. Admittedly, House No. 9, Sigma Corporate, situated behind Rajpath Club, Bodakdev, Ahmedabad belongs to the Corporate Debtor and is therefore liable to be included in the liquidation estate.

36.15. In ***Swiss Ribbons Pvt. Ltd. v. Union of India (2019) ibclaw.in 03 SC***, the Hon'ble Supreme Court observed that the object of the Code is maximisation of value of assets and balancing the interests of all stakeholders. Effective administration and realization of assets by the

Liquidator would be frustrated if custody and control over the original title deeds are denied despite the property forming part of the liquidation estate.

- 36.16. In the facts of the present case, we are of the considered view that House No. 9, Sigma Corporate, situated behind Rajpath Club, Bodakdev, Ahmedabad forms part of the liquidation estate of the Corporate Debtor and the Liquidator is entitled to take custody and control thereof in terms of Section 35 of the Insolvency and Bankruptcy Code, 2016. The relinquishment by IDBI Bank and Bank of Baroda (first charge holders) under Section 52 further consolidates the property as part of the liquidation estate available for value maximization.
- 36.17. Consequently, the original title deeds pertaining to the Sigma-9 Property are also liable to be handed over to the Liquidator to enable him to effectively discharge his statutory duties. Accordingly, Issue No. (iv) is answered in the aforesaid terms.
- 37.** In view of the findings recorded on **Issue Nos. (i) to (iv)**, the present applications are disposed of in the following terms: -
- A. **I.A. No. 440 (AHM) 2025** is partly allowed to the extent indicated hereinbelow: -
- (i) It is declared that the property bearing House No. 9, Sigma Corporate, behind Rajpath Club, Bodakdev, Ahmedabad-380054 forms part of the liquidation estate of the Corporate Debtor and the Liquidator is

entitled to take custody and control thereof under Section 35 of the IBC.

- (ii) The security interest claimed by Respondent Nos. 1 and 8 over the Sigma-9 Property, being subordinate and having lapsed into the liquidation estate under Regulation 21A(3), shall not obstruct the Liquidator from dealing with the asset in accordance with the provisions of the Code.
- (iii) However, the prayer seeking quashing and setting aside of the Assignment Agreement dated 27.10.2023 executed between Bank of Maharashtra and Areion Finserve Private Limited and the subsequent Assignment Agreement dated 02.05.2025 executed between Areion Finserve Private Limited and Raj Radhe Finance Limited does not merit acceptance and rejected accordingly.

B. **I.A. No. 1137 (AHM) 2025** filed by Raj Radhe Finance Limited challenging the rejection of claim under Section 42 of the Insolvency and Bankruptcy Code, 2016 is **dismissed**.

C. **I.A. No. 525 (AHM) 2026** is allowed with following directions: -

- (i) Bank of Maharashtra, Areion Finserve Private Limited, Raj Radhe Finance Limited, or any person or entity claiming through them or in possession/control of the original title deeds

(including the registered Simple Mortgage Deed dated 20.03.2015 and related documents) pertaining to House No. 9, Sigma Corporate, Bodakdev, Ahmedabad-380054, shall hand over the same to the Applicant/Liquidator within two weeks from the date of this Order.

- (ii) In the event the said title deeds are not in their possession, they shall file an affidavit within one week with the Liquidator disclosing the exact whereabouts and the person/entity in custody thereof and render full cooperation to the Liquidator for retrieval of the original title deeds, failing which appropriate coercive steps under Sections 35(1)(n) and 70 of the IBC may be initiated.

38. Accordingly, **IA No. 440 (AHM) 2025, IA No. 1137 (AHM) 2025** and **IA No. 525 (AHM) 2026** stand ***disposed of*** in the above terms. No order as to costs.

— SP —

**SANJEEV SHARMA**  
**MEMBER(TECHNICAL)**  
Aditi/LRA

Sd/-  
**SHAMMI KHAN**  
**MEMBER (JUDICIAL)**