

IN THE NATIONAL COMPANY LAW TRIBUNAL

KOLKATA BENCH, (COURT NO.-II)

KOLKATA

C.P.(I.B)266/KB/2025

Under Section 7 of the Insolvency and Bankruptcy Code, 2016 read with rule 4 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016.

IN THE MATTER OF

Canara Bank, (erstwhile Syndicate Bank), a body corporate constituted under the Banking Companies (Acquisition & Transfer of Undertakings) Act, 1970 having their Head Office at 112, J.C. Road, Bangaluru, Karnataka and having its Branch Office amongst others at Stressed Asset Management Branch (SAMB), Bells House, 21, Camac Street, 5th Floor, Kolkata, P.S. Shakespeare Sarani- 700 016.

...Financial Creditor/Applicant

VERSUS

Saket Promotors Limited, having Corporate Identification No.: U45201WB2003PLC097210, having its

**registered office 46, B.B Ganguly
Street, 1st Floor, Kolkata 700
012.**

...Corporate Debtor/Respondent

Date of Pronouncement: 22.6.2026

CORAM:

Shri. Labh Singh, Hon'ble Member (Judicial)

Ms. Rekha Kantilal Shah, Hon'ble Member (Technical)

Counsel appeared through physically or virtually

Mr. Siddhant Makkar, Adv.] For Financial Creditor

Respondent Ex-parte vide order dated 08.06.2026

O R D E R

(Heard Through Hybrid Mode)

LABH SINGH, MEMBER (JUDICIAL)

- 1. The Canara Bank, the Financial Creditor has filed the present Company Petition under Section 7 of the Insolvency and Bankruptcy Code, 2016 (for short "IBC Code") read with rule 4 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 (for short "the Rules") with a prayer to trigger Corporate Insolvency Resolution Process (for short "CIRP") in respect of respondent Company Saket Promoters Limited.**

2. It is appropriate to mention that the applicant, Canara Bank (erstwhile Syndicate Bank), is a body corporate constituted under the Banking Companies (Acquisition & Transfer of Undertakings) Act, 1970 having its Head Office at 112, J.C. Road, Bangaluru, Karnataka and having its Branch Office amongst others at Stressed Asset Management Branch (SAMB), Bells House, 21, Camac Street, 5th Floor, Kolkata, P.S. Shakespeare Sarani- 700 016.
3. Mr. Pawan Chaturvedi, duly authorized on behalf of applicant, has preferred the present application on behalf of the Financial Creditor for initiation of insolvency resolution process against the respondent under the IBC, 2016. A copy of the Power of Attorney (Annexure A) has been placed on record.
4. The Respondent Company, Saket Promoters Limited(hereinafter to be referred as "Corporate Debtor") against whom initiation of CIRP has been prayed for, was incorporated on 06.11.2003. Since the registered office of the respondent corporate debtor is situated at Kolkata, and hence, this Adjudicating Authority having territorial jurisdiction over the State of West Bengal/Bihar/Jharkhand is the Adjudicating Authority in relation to the prayer for initiation of CIRP in respect of respondent corporate debtor under sub-section (1) of Section 60 of the IBC Code.

5. Briefly stated the case of the applicant is that during the month of December 2015, the Corporate Debtor, having real estate business, approached the erstwhile Syndicate Bank for financial assistance for proposed construction of a residential project consisting of about 153 flats at premises no. 127, BT Road, Kolkata-700108, and submitted a written proposal for the same.
6. The erstwhile Syndicate Bank, considering request of the Corporate Debtor, sanctioned a Term Loan facility of Rs. 15,00,00,000/- (Rupees Fifteen Crore Only) vide Sanction Letter dated 01.07.2016. The Corporate Debtor, in order to secure the loan facility, mortgaged the project property in favour of the erstwhile Syndicate Bank, and also hypothecated assets vide Hypothecation Agreement and Charge Book Debts Agreement dated 09.08.2016.
7. The Erstwhile Syndicate Bank and the Corporate Debtor executed an Escrow Account Agreement dated 09.08.2016 for the collection of amounts to be deposited by flat purchasers in respect of the project. The Erstwhile Syndicate Bank disbursed a total sum of Rs. 15,00,00,000/- directly to the account of the Corporate Debtor. The proceeds were disbursed by the bank as per the following schedule:

Date	Amount (Rs.)

Aug 25 th , 2016	42,000,000.00/-
Oct 20 th , 2016	27,000,000.00/-
Dec 27 th , 2016	22,000,000.00/-
Mar 7 th , 2017	29,000,000.00/-
Jun 20 th . 2017	15,000,000.00/-
Sep 18 th , 2017	15,000,000.00/-
Total	15,00,00,000/-

8. The said amount had to be repaid in four quarterly installments after a moratorium period of twenty three (23) months, with interest payable at 4.25% percent over and above the MCLR rate, subject to a minimum of 13.80% per annum, and a penalty of 2% for delayed payments.
9. The project was originally scheduled to be completed by 30.09.2018; however, the period for completion of the same was extended for six months from 30.09.2018 to 31.03.2019. The repayment schedule was subsequently modified by a revised Sanction Letter dated 24.12.2018. Despite availing these extensions, the Corporate Debtor failed to maintain financial discipline and was unable to repay the liability in terms of the sanction letters duly accepted by the Corporate Debtor. Consequently, the account of the Corporate Debtor was classified as Non-Performing Asset on 29.06.2019.

The Erstwhile Syndicate Bank issued a demand notice dated 01.07.2019 under Section 13(2) of the SARFAESI Act, 2002.

10. Thereafter, the Corporate Debtor requested the Erstwhile Syndicate Bank for restructuring the payment schedule and a reduction in the rate of interest. On 08.01.2020, the Corporate Debtor expressly acknowledged and admitted its liability to the tune of Rs. 13,37,44,013/.
11. The erstwhile Syndicate Bank merged with the Financial Creditor with effect from 01.04.2020; and accordingly, the rights to recover the dues of the Corporate Debtor were transferred to the Financial Creditor. Therefore, the Financial Creditor has every right to recover the outstanding dues payable by the Corporate Debtor.
12. The Financial Creditor issued a demand notice dated 21.04.2021 through its Advocate calling upon the Corporate Debtor to repay outstanding dues of Rs. 10,58,62,809.79/- . The Corporate Debtor, in response to the same, issued a letter dated 18.08.2022, citing the global recession in real estate and the Covid-19 pandemic for its business setbacks. The Corporate Debtor, in the same letter dated 18.08.2022, acknowledged a reduced liability of Rs. 8,38,53,146.42/- and requested a concession. The said proposal was rejected by the Financial Creditor.
13. Subsequently, on 26.09.2022, the Corporate Debtor issued a revised OTS proposal offering to pay Rs. 6 crores towards

full and final settlement, which was also rejected. This was followed by another OTS offer dated 23.02.2023 for a reduced sum of Rs. 1.5 crores, which the Financial Creditor rejected. On 21.09.2024, the Corporate Debtor proposed another OTS of Rs. 2.5 crores and subsequently deposited Rs. 25,00,000/- by way of cheque along with Post Dated Cheques. The Financial Creditor rejected the said proposal on 04.12.2024 and refunded the deposited sum of Rs. 25,00,000/- to the Corporate Debtor.

14. Due to the repeated failure to settle the debts, the Financial Creditor issued a notice dated 30.05.2025 bearing reference No. ARMB/SD/SPL/INVOC/430/2025, intimating the Corporate Debtor of the non-payment of the defaulted sum and called upon for a payment of Rs. 11,43,01,310.42/- (Rupees Eleven Crore Forty Three Lakh One Thousand Three Hundred Ten and Paise Forty Two Only). The Corporate Debtor failed to make any payments and instead issued another letter dated 29.08.2025, requesting an OTS of Rs. 2.5 crores. This final proposal was rejected by the Financial Creditor vide letter dated 07.10.2025.
15. As of 30.09.2025, an aggregate sum of Rs. 12,14,92,189/- (Rupees Twelve Crore Fourteen Lakh Ninety Two Thousands One Hundred Eight Nine Only) including interest, is due and payable by the Corporate Debtor. While the Corporate Debtor has made a few part payments with the last

payment recorded on 06.04.2023, it has constantly acknowledged its liability in writing and through its balance sheets.

16. It is submitted that apart from the default in repayment of outstanding dues, the financial credibility of the Corporate Debtor is uncertain, and it is believed that the Corporate Debtor is highly indebted. Its present management is unworthy of continuing in the management of the Corporate Debtor. Therefore, the Corporate Debtor requires to be admitted in the CIRP process.
17. Sub-section (3)(b) of Section 7 mandates the financial creditor to furnish the name of an Interim Resolution Professional. In compliance thereof, the applicant has proposed the name of Mr. Pratim Bayal, for appointment as Interim Resolution Professional having registration number IBBI/IPA-003/IP-N00213/2018-2019/12385, having address at Room No. 708, 7th Floor, Central Plaza, 2/6 Sarat Bose Road, Minto Park, Kolkata, West Bengal - 700020 with email-id pratimbayal@gmail.com. Mr. Pratim Bayal has agreed to accept the appointment as the interim resolution professional and has signed a communication in Form 2 in terms of Rule 9(1) of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 as per "Annexure-W" of the application. There is a declaration made by him that no disciplinary proceedings are pending against him in the

Insolvency and Bankruptcy Board of India or elsewhere. In addition, further necessary disclosures have been made by Mr. Pratim Bayal as per the requirement of the IBBI Regulations. Accordingly, it is seen that the requirement of Section 7(3)(b) of the Code has been satisfied.

18. The applicant/Financial Creditor, in order to prove its case, has relied upon the following documents:
- i. Copy of the Master Data of both the Corporate Debtor and the Financial Creditor (Annexure B) at pages 37-40 of the application;
 - ii. Written proposal letter dated 01.12.2015 submitted by Saket Promoters Limited for the project (Annexure C) at pages 41-42 of the application;
 - iii. Copy of the Sanction Letter dated 01.07.2016 for the Term Loan facility of Rs. 15,00,00,000/- (Annexure D) at pages 43-50 of the application;
 - iv. Copies of the Hypothecation Agreement and the hypothecation of Book Debts Agreement, both dated 09.08.2016 (Annexure E) at pages 51-77 of the application;
 - v. Copy of the revised Sanction Letter dated 24.12.2018 providing for an extension and modified repayment schedule (Annexure G) at page 87 of the application;

- vi. Copy of the letter dated 16.10.2019 from the Corporate Debtor requesting restructuring and interest reduction (Annexure H) at pages 88-93 of the application;
- vii. Copy of the letter dated 08.01.2020 from the Corporate Debtor expressly acknowledging its liability (Annexure I) at page 94 of the application;
- viii. Copy of the statutory demand notice under Section 13(2) of the SARFAESI Act, 2002, dated 01.07.2019 (Annexure J) at pages 95-97 of the application;
- ix. Copies of the demand notice dated 21.04.2021 issued by the Bank calling for repayment of outstanding dues (Annexure K) at pages 98-100 of the application;
- x. Copy of the letter dated 18.08.2022 from the Corporate Debtor acknowledging liability and requesting concessions (Annexure L) at pages 101-102 of the application;
- xi. Copy of the letter dated 02.09.2022 from the Corporate Debtor submitting financial records (Annexure M) at pages 103 & 103(a) of the application;
- xii. Copy of the letter dated 26.09.2022 from the Corporate Debtor issuing a revised OTS proposal (Annexure N) at pages 104-105 of the application;
- xiii. Copy of the letter dated 23.02.2023 from the Corporate Debtor with a further reduced OTS offer (Annexure O) at pages 106-109 of the application;

- xiv. Copies of the letters dated 21.09.2024 and 24.03.2024 from the Corporate Debtor regarding settlement offers (Annexure P) at pages 110-117 of the application;
- xv. Copy of the letter dated 04.12.2024 from the Financial Creditor rejecting the OTS proposal and refunding the deposited sum (Annexure Q) at pages 118-124 of the application;
- xvi. Copy of the notice dated 30.05.2025 intimating the non-payment of the defaulted sum and calling for payment (Annexure R) at pages 125-126 of the application;
- xvii. Copy of the letter dated 29.08.2025 from the Corporate Debtor and the final rejection letter dated 07.10.2025 (Annexure S) at pages 127-129 of the application;
- xviii. Statement of Accounts maintained by the Financial Creditor along with the account summary (Annexure T) at pages 130-142 of the application;
- xix. Copy of the last available Balance Sheet of the Corporate Debtor reflecting its financial position and liability (Annexure U) at pages 143-174 of the application;
- xx. Copy of the Undertaking Letters dated 02.08.2016 issued by the Corporate Debtor (Annexure V) at pages 175-177 of the application;

19. As per Part-IV of the application, it is claimed that as on 30.09.2025 a sum of Rs. 12,14,92,189/- (Rupees Twelve Crore Fourteen Lakh Ninety Two Thousands One Hundred Eight Nine Only) is due and payable by the respondent company.
20. Therefore, the present Company Petition deserves to be allowed and the Corporate Debtor requires to be admitted in CIRP process.
21. This Tribunal issued notice upon Corporate Debtor by way of speed post and email. The proof of service has been placed on record. Despite due service of notice, the Corporate Debtor opted not to appear in the present matter. This Adjudicating Authority, by its own indulgence, kept open the right of the Corporate Debtor to appear and file its reply affidavit; however despite this indulgence of the Tribunal, the Corporate Debtor opted not to appear in the matter. Ultimately, this Adjudicating Authority proceeded the matter ex-parte against Corporate Debtor vide order dated 08.06.2026.
22. Heard Learned Counsel appearing for the Financial Creditor. We gone through the pleading of the Financial Creditor and documentary evidence placed on record. After having gone through the case file and hearing the arguments of the learned Counsel for the Financial Creditor, we proceed to consider the merits of this petition.

23. It is an established proposition of law that an application under Section 7 of the IBC Code is acceptable so long as the debt is proved to be due and there has been occurrence or existence of default. What is material is that the default is for at least Rs. 1,00,00,000/-. In view of Section 4 of the Code, the moment default is of rupees one crore or more, the application to trigger the CIRP process under the IBC Code is maintainable. The Corporate Debtor has failed to show that there is no debt or default in existence so as to avoid the provisions of the Code.
24. In the facts, it is seen that the applicant clearly comes within the definition of Financial Creditor. The material placed on record further confirms that the applicant, Financial Creditor had disbursed the loan amount of Rs. 15,00,00,000/-(Rupees Fifteen Crore Only). The Corporate Debtor, after availing the loan facility, failed to repay the outstanding amount despite repeated request of the Financial Creditor.
25. The Financial Creditor issued a Notice bearing No. ARMB/SD/SPL/INVOC/430/2025 dated 30.05.2025 to the Corporate Debtor for defaulted amount and called upon to repay an amount of Rs. 11,43,01,310.42/-(Rupees Eleven Crore Forty Three Lakh One Thousand Three Hundred Ten and Paise Forty Two Only). The Corporate Debtor, despite receipt of notice, failed to make repayment. The Corporate Debtor, vide letter

dated 29.08.2025, requested for One Time Settlement(OTS) for an amount of Rs. 2.5 crores. The Financial Creditor rejected the said proposal vide letter dated 07.10.2025.

26. It has been established on record that as on 30.09.2025, an aggregate amount of Rs. 12,14,92,189/-(Rupees Twelve Crore Fourteen Lakh Ninety Two Thousands One Hundred Eight Nine Only) including interest, is due and payable by the Corporate Debtor. Thus, there is default on the part of the Corporate Debtor to make payment which is above the threshold limit of rupees one crore.
27. On a bare perusal of Form - I filed under Section 7 of the IBC Code read with Rule 4 of the Rules proves that the form is complete and there is no infirmity in the same. It is also seen that there is no disciplinary proceeding pending against the proposed Interim Resolution Professional.
28. We are satisfied that the present application is complete in all respect and the applicant financial creditor is entitled to claim its outstanding financial debt from the corporate debtor and that there has been default in payment of the financial debt. The Corporate Debtor is not able to discharge its liability towards the Financial Creditor, and hence, the CIRP process requires in the present matter.
29. As a sequel to the above discussion and in terms of Section 7(5)(a) of the IBC Code, the present application is admitted.

30. Mr. Pratim Bayal, having registration number IBBI/IPA-003/IPN00213/2018-2019/12385, having email-id:pratimbayal@gmail.com, is appointed as an Interim Resolution Professional for the corporate debtor.
31. In pursuance of Section 13(2) of the Code, We direct that public announcement shall be made by the Interim Resolution Professional immediately (3 days as prescribed by Explanation to Regulation 6(1) of the IBBI Regulations, 2016) with regard to admission of this application under Section 7 of the Insolvency and Bankruptcy Code, 2016.
32. We direct the applicant Financial Creditor to deposit a sum of Rs. 3 lakh for the Interim Resolution Professional, namely Mr. Pratim Bayal, to meet the expenses to perform the functions/duties assigned to him in accordance with Regulation 6 of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016. The needful shall be done within three days from the date of receipt of this order by the Financial Creditor. The said amount shall, however, be subject to adjustment towards Resolution Process costs as per applicable rules.
33. The moratorium is declared in terms of Section 14 of the Code. The necessary consequences of imposing the moratorium flows from the provisions of Section 14(1)(a), (b), (c) &

(d) of the Code. Thus, the following prohibitions are imposed:

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

(b) transferring, encumbering, alienating or disposing of by the corporate debtor any of its assets or any legal right or beneficial interest therein;

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

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

34. It is made clear that the provisions of moratorium shall not apply to transactions which might be notified by the Central Government or the supply of the essential goods or services to the Corporate Debtor as may be specified, are not to be terminated or suspended or interrupted during the moratorium

period. In addition, as per the Insolvency and Bankruptcy Code (Amendment) Act, 2018 which has come into force w.e.f. 06.06.2018, the provisions of moratorium shall not apply to the surety in a contract of guarantee to the corporate debtor in terms of Section 14(3)(b) of the Code.

35. The Interim Resolution Professional shall perform all his functions contemplated, inter-alia, by Sections 15, 17, 18, 19, 20 & 21 of the Code and transact proceedings with utmost dedication, honesty and strictly in accordance with the provisions of the Code, Rules and Regulations. It is further made clear that all the personnel connected with the Corporate Debtor, its promoters or any other person associated with the Management of the Corporate Debtor are under legal obligation under Section 19 of the Code to extend every assistance and cooperation to the Interim Resolution Professional as may be required by him in managing the day to day affairs of the 'Corporate Debtor'. In case there is any violation committed by the ex-management or any tainted/illegal transaction by ex-directors or anyone else, the Interim Resolution Professional would be at liberty to make appropriate application to this Tribunal with a prayer for passing an appropriate order. The Interim Resolution Professional shall be under duty to protect and preserve the value of the property of the 'Corporate Debtor' as a part of its

obligation imposed by Section 20 of the Code and perform all his functions strictly in accordance with the provisions of the Code, Rules and Regulations.

36. The Registry is directed to communicate a copy of the order to the Financial Creditor, the Corporate Debtor, the Interim Resolution Professional and the Registrar of Companies, West Bengal, Kolkata at the earliest possible but not later than three days from today.

Rekha Kantilal Shah
Member (Technical)

Labh Singh
Member (Judicial)

SRIDHAR.R(LRA)