**NATIONAL COMPANY LAW TRIBUNAL**
**GUWAHATI BENCH**
**GUWAHATI**

**ORDER SHEET OF THE HEARING ON 21st JULY 2026**

**CP (IB)/2/GB/2024**

**Present: 1. Hon'ble Member (Judicial), Shri Rammurti Kushawaha**
**2. Hon'ble Member (Technical), Shri Yogendra Kumar Singh**

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| **In the Matter of** | IL&FS Financial Services Ltd.<br>Vs<br>Adhunik Meghalaya Steels Pvt. Ltd. |
| **Under Section** | U/s 7 of IBC, 2016 |

**Appearances (via video conferencing/physically)**

For Petitioner (s) : Mr. Soumyajit Saha, Adv.

For Respondent (s) : Mr. Sujit Banerjee, Adv

**ORDER**

Order pronounced in open court *vide* separate sheets.

**Sd/-**
**Yogendra Kumar Singh**
**Member (Technical)**

**Sd/-**
**Rammurti Kushawaha**
**Member (Judicial)**

*Zeba (PS)*

**NATIONAL COMPANY LAW TRIBUNAL**
**GUWAHATI BENCH**
**GUWAHATI**

**CP(IB)/2/GB/2024**

*A Petition 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 CP(IB)/2/GB/2024:***

**IL&FS Financial Services Limited**, a company incorporated under the Companies Act 1956 and having its registered Office at the IL&FS Financial Centre, 3rd Floor, Plot C - 22, G - Block, Bandra Kurla Complex, Bandra East, Mumbai – 400051, India.

**…Petitioner/ Financial Creditor**

***-Versus-***

**Adhunik Meghalaya Steels Private Limited** (CIN: U27101ML2000PTC006356), a company incorporated under the Companies Act 1956 and having its registered office at Plot No. 19, 23E, P I P Zone Byrnihat, Meghalaya, Jaintia Hills, Meghalaya – 793101.

**…Respondent/ Corporate Debtor**

***Coram:***

| | | |
|---|---|---|
| Shri Rammurti Kushawaha | : | Member (Judicial) |
| Shri Yogendra Kumar Singh | : | Member (Technical) |

***Appearances (through video conferencing/physical):***

| | | |
|---|---|---|
| For Petitioner | : | Mr. Shaunak Mitra, Ms. Kiran Sharma, Mr. Soumyajit Saha, (Advs.) |
| For Respondent | : | Mr. D.N Sharma, (Sr. Adv.), Mr. Nilay Sengupta, Mr. Sujit Banerjee (Advs.) |

**Order pronounced on: 21.07.2026**

## As Per Bench

1. The present Petition has been filed by **IL&FS Financial Services Limited** ('Financial Creditor'), under Section 7 of the Insolvency and Bankruptcy Code, 2016 ('the Code') read with Rule 4 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016, to initiate Corporate Insolvency Resolution Process ('CIRP') of **Adhunik Meghalaya Steels Private Limited** ('Corporate Debtor') for an unresolved Financial Debt of Rs. 55,45,97,395 /- (Rupees Fifty-five crore forty-five lakh ninety-seven thousand three hundred ninety-five only) as on 15.11.2023.
2. As per the Petitioner/Financial Creditor, the brief facts of the case are as follows: -

   2.1 The Corporate Debtor is a Private Limited Company incorporated on 14.11.2000 under the Companies Act 1956 having CIN: U27101ML2000PTC006356.

   2.2 The Corporate Debtor has approached the IL&FS Financial Services Limited ('Financial Creditor') for the term loan facility, whereby the Financial Creditor had agreed to extend a Term Loan Facility of upto 30,00,00,000/- (Rupees Thirty Crore only) ('Term Loan Facility') towards Working Capital Requirements/ General Corporate Purposes to the Corporate Debtor, *vide* Loan Agreement dated 27.02.2015.

   2.3 Accordingly, out of the total sanctioned amount of Rs. 30,00,00,000/- (Rupees Thirty Crore) an amount of Rs. 24,58,84,395/ - (Rupees Twenty -Four Crore Fifty Eight Lakh Eighty Four Thousand Three Hundred and Ninety Five only) was was approved for disbursement.

   2.4 Out of Rs. 24,58,84,395/-, an amount of Rs. 24,44,44,456 (Rupees Twenty Four Crore Forty Four Lakh Forty Four Thousand Four Hundred and Fifty Six only) was disbursed (after adjusting upfront interest payable on the facility until March 31.03.2015) by the Financial Creditor to the Corporate Debtor on 17.03.2015, on the terms and conditions more fully provided in the Loan Agreement along with various other documents executed between the parties ('Facility Documents'). A copy of the offer letter along with the copy of the loan agreement dated 27.02.2015 are annexed as *'Annexure F'.*

   2.5 As per the terms and conditions of the Facility Documents, the Corporate Debtor was required to repay the loan in 8 equal quarterly installments commencing from the end of 27th month from the date of disbursement.

2.6 The Corporate Debtor failed to repay the quarterly installments as per the terms of the Facility Documents and committed multiple defaults, leading up to a failure to pay the said instalments consecutively.

2.7 Hence, in view of the sad default in paying overdue, the account of the Corporate Debtor was declared as Non-Performing Asset ('NPA') by the Financial Creditor on 01.03.2018, as per the norms and guidelines formulated by the Reserve Bank India.

2.8 The date of default of 01.03.2018 which is also duly recorded with the Information Utility as is reflected the report annexed with the present petition provided by the Information Utility being, National E-Governance Services Limited. Also, as per the judicial pronouncements, the date of default provided on the portal of National E-Governance Services Limited shall be conclusive evidence in proving the date of default. A copy of the record of default submitted by the Corporate Debtor for the Financial Creditor on the portal of NeSL is annexed as *'Annexure K'.*

2.9 However, the Corporate Debtor once again defaulted in its payments and the Financial Creditor was constrained to issue the Event of Default Notice dated 10.07.2018 and 7 (seven) days were provided to the Corporate Debtor cure the default as per the terms and conditions of the Facility Documents. The recall notice dated 10.07.2018 is annexed as *'Annexure N'.*

2.10 The Corporate Debtor once again defaulted in its payments and the Financial Creditor was constrained to recall the entire facility vide Recall Facility Notice dated 10.08.2018 and called upon the Corporate Debtor to repay the entire facility amount together with applicable interests and penalty within 48 (forty eight) hours from the delivery of this notice. The Corporate Debtor failed to even respond to the said recall notice dated 10.08.2018 issued by the Financial Creditor. The recall notice dated 10.08.2018 is annexed as *'Annexure N'.*

2.11 However, despite the notice, the Corporate Debtor failed to repay such amounts which were due and payable and stood in default of its debt obligations and the Financial Creditor was constrained to issue the Recall Facility Notice dated 10.08.2018 recalling the entire Term Loan Facility.

2.12 However, the Corporate Debtor has continued to acknowledge its indebtedness to the Financial Creditor in its Financial Statements, thereby extending the period of limitation for filling instant application within the meaning of Section 18 of the Limitation Act, 1963.

2.13 It is also pertinent to mention that the Term Loan Facility was extended in February, 2015 and the Corporate Debtor has acknowledged the liability and its default towards the loan obligations due and payable to the Financial Creditors, in all its year-to-year audited Financial Statements since 2015, till the latest Balance Sheet for Financial Year 2019-2020 as per the filed financials by the Corporate Debtor with the Registrar of Companies, Ministry of Corporate Affairs.

2.14 The latest Balance Sheet for the Financial Year 2019-2020 filed with the Registrar of Companies, Ministry of Corporate Affairs was approved by the Board of Directors of the Corporate Debtor on 12.08.2020 and the date of signing of such financial statement by the Directors of the Corporate Debtor is 12.08.2020.

2.15 The Annual General Meeting of the Corporate Debtor was held on 31.12.2020. However, the latest Balance Sheet for the Financial Year 2019-2020 of the Corporate Debtor was filed /made available to the public only on 14.02.2021, which is evident from the details available on portal of Ministry of Corporate Affairs.

2.16 Therefore, the instant application has been filed within the period of limitation, as extended *vide* the Corporate Debtor's writer acknowledgment through the aforementioned financial statements. A copy of the challan downloaded as the filing evidence of the latest filed Balance Sheet for the Financial Year 2019-2020 by the Corporate Debtor as appearing on the portal of Ministry of Corporate Affairs is annexed as *'Annexure G'.*

2.17 Further, it is also pertinent to mention *vide* order dated 10.01.2022 passed by the Hon'ble Supreme Court in Suo moto Writ Petition (C) No. 3 of 2020 (read with earlier orders dated 23.03.2020, 08.03.2021 and 23.04.2021) the period between 15.03.2020 to 28.02.2022 has been excluded from the computation of limitation period and therefore, from such conspectus, this application is in any case being filed within the limitation period prescribed under the Limitation Act 1963 read with the aforementioned Order of the Hon'ble Supreme Court.

2.18 In view of the aforesaid facts and circumstances, it is evident that the Corporate Debtor has defaulted in meeting its obligations en multiple occasions. The Corporate Debtor continues to be in default of its loan obligation.

2.19 Therefore, the total amount which is in default by the Corporate Debtor against the said Term Loan Facility (together with the principal amount, accrued interest and penal interest, as applicable) as on 15.11.2023 is Rs. 55,45,97,395/-. Hence, the Financial Creditor is desirous of initiating a corporate insolvency resolution process against the Corporate Debtor under section 7 of the Insolvency and Bankruptcy Code, 2016, which is filed within the prescribed limitation as detailed in the application.

3. Submission by the Respondent/Corporate Debtor *vide* Reply Affidavit dated 25.04.2024 filed on 01.05.2024:

3.1 The Corporate Debtor submitted that petition is mischievous and has been filed in abuse of the process of law and of this Hon'ble Tribunal. The petition has not been filed for a genuine CIRP. As the said petition is misconceived, frivolous, motivated, vexatious, unmeritorious and harassing one.

3.2 Further submitted that the Applicant has filed the said petition by deliberately suppressing and misstating relevant and material facts. The said petition is barred by the principle of estoppels, waiver, acquaintances, limitation and other principles analogous thereto.

3.3 It is further submitted that the applicant admittedly date of default, as per the own averment in the said application is 01.03.2018. Admittedly the Financial Creditor had declared the account of the CD as NPA on 01.03.2018 and had also issued Recall facilities Notice to the CD on 10.08.2018. Hence, the Limitation period of 3 (three) years under the Limitation Act 1963 to initiate any action against the CD from 10.08.2018 has already been expired on 09.08.2021.

3.4 Further, in terms of the order dated 10.01.2022, passed by the Hon'ble Supreme Court in Suo Moto Writ Petition No. 3 of 2020, the limitation period of 90 days after 28.02.2022 also expired on 29.05.2022. Therefore, filing of the present Application at this belated stage for claiming a debt which is time barred is non est in law and is only arm twisting tactic to extort money.

3.5 It is also submitted that the Financial Creditor also suppressed their all misdeeds, in maintaining the accounts of this CD. That the loan amount, as disbursed was well secured by the CD by pledging equity shares of M/s Adhunik Metaliks Limited. On the basis of the understanding, on 27.02.2015, an agreement for pledge of shares of Adhunik Metaliks Limited was entered with its shareholders like M/s Sungrowth Share & Stocks Limited, M/s Mahananda Suppliers Limited and Adhunik Meghalaya Steel Private Limited. A copy of the said agreement is annexed as *'Letter-B'.*

3.6 In terms of said share pledge agreement, total shares of 2,52,17,391 shares of Adhunik Metaliks Limited, in following manners:

| | | |
|---|---|---|
| 1. | Mahananda Suppliers Limited | 21,43,485 |
| 2. | Sungrowth Share & Stocks Limited | 2,22,63,102 |
| 3. | Adhunik Meghalaya Steel Private Limited | 8,10,804 |
| | Total | 2,52,17,391 |

3.7 That the value of the aforesaid shares of said Adhunik Metaliks Limited was Rs.19.85 per share, at the time of said pledging. Thus total value of those shares was Rs.50.00 Crores (approx.). More than the twice value of the loan disbursed.

3.8 During the FY 2016-17, the Financial Creditor invoked all the shares pledged by the Mahananda Suppliers Limited and realized an amount of Rs. 1,57,29,924/- only.

3.9 It is further submitted that the Financial Creditor also invoked all the shares pledged by the Adhunik Meghalaya Steel Private Limited and sold the same realized an amount of Rs.58,40,356/- only.

3.10 Furthermore, it is submitted that During the year 2017-18, the Financial Creditor invoked out of 2,22,63,102 shares pledged by the Sungrowth Shares & Stocks Limited and sold at current market price and realized a sum of Rs.6,14,90,908/- only.

3.11 Thus the Financial creditor realized total sum of Rs. 8,30,61,278/- only. They are still holding 78,86,958 shares of said Adhunik Metaliks Limited. The Respondent is showing a chart of invocation of those shares herein. A copy of the chart of invocation is annexed as '*Letter-C'.*

3.12 Also, the Adhunik Metaliks Limited suffered an order under section 7 of the IBC, from the Hon'ble NCLT, Kolkata Bench dated 03.08.2017. A copy of the order is annexed as '*Letter-D'.*

3.13 From the order of the Hon'ble NCLT Kolkata Bench, it was clear that said Financial Creditor was not all vigil about their security. In spite of having knowledge about the pendency of the aforesaid proceeding against said Adhunik

Metaliks Limited, they remained aloof, in realizing of their security amount. They allowed the security value of said shares of Adhunik Metaliks Limited to diminish.

3.14 The Financial Creditor took a fraudulent stand, as if they had Corporate Guarantee from the aforesaid pledge of the equity shares. Indeed, they initiated a proceeding under section 7 of the IBC against Mahananda Suppliers Limited, one of the pledger frequently treating pledge of shares as Corporate Guarantee, before the Hon'ble NCLT, Kolkata Bench and same was registered as CP(IB) No. 827/KB/2019. The aforesaid proceeding was dismissed *vide* order dated 31.01.2020. A copy of the said order is annexed as '*Letter-E'.*

3.15 Thereafter, said FC filed an appeal before the Hon'ble NCLAT and same was registered as CP(AT) Insolvency No. 463/2020 and said appeal was also dismissed *vide* order dated 22.07.2022. A copy of the order is annexed as *'Letter-F'.*

3.16 Thereafter, the FC filed an appeal before the Hon'ble Supreme Court of India, being Civil Appeal No. 7944 of 2022 and same was also dismissed *vide* an order dated 18.11.2022. A copy of the order of the Hon'ble Supreme Court of India dated 18.11.2022 is annexed '*Letter-G'.*

3.17 Thus, there is no live claim of the Financial Creditor, as on debt and any debts in favour of the Financial Creditor. Further, the limitation for filing of the present application must be considered from the date of default, i.e., 01.03.2018, which clearly makes the claim of FC hopelessly time barred and the same cannot be revived at this later stage. It is also stated that the Balance Sheet of the Corporate Debtor cannot be treated as acknowledgment of debt as wrongfully alleged at all.

3.18 Hence, the Corporate Debtor submitted that present proceeding is not maintainable and liable to be dismissed for the end of Justice.

4. Additional Submission by the Financial Creditor/Petitioner *vide* Rejoinder dated 29.04.2024 filed on 01.05.2024.

4.1 The Petitioner submitted that the Applicant is well entitled to recover the entire amount which has fallen due and payable from the Corporate Debtor and/or guarantors/pledgers etc. whatsoever, with or without exercising any remedies/rights against the Borrower or the other Pledgers/Guarantors as per the provisions of the law.

4.2 It is further submitted that focus of the instant proceedings should be solely on the 'Corporate Debtor' and its ability to fulfill its obligations under the Loan Agreement and other facility documents. Any alleged recoveries involving the pledgors/guarantors should not impact the outcome of the proceedings against the Corporate Debtor.

4.3 It is trite law that the liability of the guarantors/pledgors is co-extensive with that of the principal borrower as expressly provided under section 128 of the Indian Contract Act, 1872.

4.4 It is crucial for the Corporate Debtor to appreciate the legal position that even if there are co-borrowers or guarantors involved in the Loan Agreement, the primary responsibility lies with the Corporate Debtor to ensure that the outstanding dues are fully settled. It is therefore evident that the obligations under the Loan agreement are not fully discharged, and the Corporate Debtor continues to be in default and hence, section 7 is liable to be admitted.

4.5 The Financial Creditor further submitted about the Limitation that the Corporate Debtor was required to repay the loan in 8 equal quarterly installments commencing from the end of 27th month from the date of disbursement, but fails to repay. In view of the default, the account of the Corporate Debtor Classified NPA in 01.03.2018. The Date of default is also 01.03.2018, which is also recorded with the Information Utility. Hence, it is trite law that the date of default provided on the portal of National E-Governance Services Limited all be conclusive evidence in proving the date of default.

4.6 The Corporate Debtor has continued to acknowledge its indebtedness to the Financial Creditor in its Financial Statements, thereby extending the period of limitation for filing the instant application within the meaning of Section 18 of the Limitation Act, 1963.

4.7 It is pertinent to state that a charge has been created/registered in favour of the Financial Creditor for an amount of Rs. 30,00,00,000 (Rupees Thirty Crore) under section 77 of the Companies Act, 2013 and certificate of registration issued by the Registrar of Companies, Chhattisgarh for the charge created on February 27, 2015 having Charge ID 10563799. It is therefore evident that the charge has not been satisfied till date, which implies continuing liability and default on the part of the Corporate Debtor.

4.8 It is further submitted that in any case, these are completely irrelevant facts for adjudication of the instant application under Section 7 of the Code, as it is settled law that the Hon'ble Adjudicating Authority only has to look at the facts of the debt having fallen due and default in repayment thereof by the 'Corporate Debtor' while admitting an application under Section 7 of the Code.

5. Additional submission by the Corporate Debtor/Respondent *vide* Supplementary Affidavit dated 24.02.2026.

5.1 The Corporate Debtor submitted that the object and purpose of filling of Section 7 petition for recovery of dues is not permissible under the grab of Section 7 petition.

5.2 The Corporate Debtor further submitted that the loan which was initially disbursed by the Financial Creditor on 27.03.2015 for Rs. 24.58 crore. But, however, even though as per the financial creditor there was an alleged default in payment of Principal amount disbursed but the Financial Creditor deliberately and purposely proceeded to invoke the pledge of the securities which were made over by the corporate debtor to the Financial Creditor ('pledged securities') in a piecemeal manner only for the purpose of initially recovering and/or adjusting the interest component which had accrued, according to the Financial Creditor, over the principal amount in default.

5.3 Therefore, from the conduct of the Financial Creditor it will appear that the object and purpose of invocation of the pledge was purposely made in such a manner that only the interest component is adjusted thereby permitting the principal amount to be left unadjusted and thereby ensuring that the principal amount remains outstanding without any reduction. This would, therefore, imply that the financial creditor had taken steps to bring about a situation whereby the principal component of the alleged unpaid amount was allowed to remain unadjusted.

5.4 However, there has been repeated and successive invocation of the pledged securities every month invariably by the financial creditor only for the purpose of adjusting the alleged outstanding dues. This will appear from the successive notices which were issued at the instance of the financial creditor intentionally invariably every month commencing from 20.10.2016 to invoke only portion of the pledged securities and seeking to adjust the same in such a manner that the principal sum is left unadjusted as also to ensure that there is no reduction in the amount of principal claim of the Financial Creditor purportedly from the Corporate Debtor. Copies of the notices dated 20.10.2016, 10.11.2016, 05.01.2017, 03.02.2017, 02.03.2017 and 03.04.2017 are annexed as *'Annexure SA-2'*.

5.5 Further, from the chart annexed as 'SA-3', it appeared that the Financial Creditor had first adjusted the interest component, by encashing the pledged shares and only in the year 2017, the FC adjusted the Principal amount of Rs. 3.07 Crores only.

5.6 Further from the conduct of the Financial Creditor it will also appear that the Financial Creditor was in breach of taking all possible steps for mitigating the alleged loss consequent on the default allegedly committed by the corporate debtor and despite the loan availed by the Corporate Debtor having already been secured by more than two times of the value of the disbursement by reason of creation of pledge of the securities.

5.7 Further submitted that the financial creditor purposely delayed to realize the entire value of the securities pledged at the appropriate time with the object of showing the loan outstanding with a view to put pressure upon the corporate debtor and this has legally debarred the financial creditor from proceeding any further against the corporate debtor. As such, the Financial Creditor's approach now to seek to enforce the action under IBC Code clearly arises out of misconduct, negligence and breach on the part of the financial creditor. Thus, the financial creditor should be estopped to pursue the illegal enforcement of its purported claim which has now become non-existent by reason of operation of law.

5.8 It is further submitted that in the event the Financial Creditor had taken steps to realise the entire value of the pledged securities at the appropriate time then the entire purported claim of the financial creditor against the corporate debtor would have been resolved and squared off. Therefore, in view of the breach on the part of the financial creditor that the proceeding instituted under IBC Code has resulted in abuse of the process of law.

5.9 Therefore, it is submitted that when the creditor approaches Adjudicating Authority by invoking the provisions of IBC Code, 2016 the same has to be done as per the Rules prescribed under the said Code, as held in various judicial pronouncement which is, however, lacking in the instant case. Hence, the Financial Creditor is estopped and debarred from taking any advantage of their own wrongs to cause prejudice to the interest of the Corporate Debtor.

6. Additional Submission by the Financial Creditor/Petitioner *vide* Rejoinder dated 16.05.2026.

6.1 The Financial Creditor submitted that the Hon'ble Supreme Court *vide* order Judgment dated 30.07.2025 had set aside both the orders passed by the Hon'ble Tribunal dated 16.05.2024 and Hon'ble Appellate Tribunal dated 25.03.2025. The Hon'ble Apex court directed the following:

*"46 We have no manner of doubt that sub-para 1 of para 5 of the order of this Court dated 10.01.2022 would apply and the entire period from 15.03.2020 to 28.02.2022 would stand excluded, which would mean that the limitation would, reckoning the acknowledgment of 12.08.2020, commence on 01.03.2022 and continue till 28.02.2025. Since the application has been filed on 15.01.2024 the same is within time. Limitation, in view of the acknowledgment as found above, having commenced only on 12.08.2020, the question of limitation expiring between 15.03.2022 and 28.02.2022 cannot arise. Hence, Para 5(III) of the order of this Court dated 10.01.2022, has no application to the facts of this case.*

*47. In view of the observations made hereinabove, the judgments of the NCLAT dated 25.03.2025 and NCLT dated 16.05.2024 are set aside. The appeal is allowed. The matter is remitted to the adjudicating authority to proceed with and decide in accordance with law, treating the application under Section 7 of the IBC, filed by the appellant, as one filed within limitation. No order as to costs."*

6.2 It is further submitted that Hon'ble Supreme Court has comprehensively adjudicated upon the limitation issue for the Corporate Debtor and related matters in its detailed judgment and has remanded the matter to this Hon'ble Tribunal specifically for determination of admission under Section 7 of the Code. Any.

6.3 It is further submitted that the facts as alleged in Paras 5 and 6 of the Supplementary Affidavit are the facts prior to the section 7 application being filed, i.e., 15.01.2024 and therefore, the Corporate Debtor was never estopped from filing a detailed affidavit. Arguendo, the Corporate Debtor had already filed a detailed reply earlier which was considered in *toto* by all the forums. It is evident that the Corporate Debtor had also included the points of limitation, appropriation of outstanding amounts towards the invocation of pledge etc. There has been no subsequent development on the facts of the case and there cannot be any new development in the matter which requires consideration. The contents of the Reply Affidavit can be referred from the records maintained by this Hon'ble Tribunal.

6.4 It is further submitted that the Hon'ble Supreme Court, in its order dated 30.07.2025, has duly considered and taken cognizance of the contents of the Reply Affidavit filed by the Corporate Debtor. Consequently, the Corporate Debtor has been given full opportunity to present its case and contentions before the highest judicial forum and now cannot take the opportunity to establish a new case.

6.5 Furthermore, it is submitted that alleged recoveries involving the pledgers/ guarantors of the CD have been done by the FC in terms of the contractual documents. Appropriation towards the interest overdue amount has been done in terms of the Loan agreement dated 27.02.2015. Any amount amounts appropriated towards the recoveries made by the Financial Creditor have been duly accounted for in the amount claimed to be under 'default' under the section 7 application.

6.6 Also, the CD has not even made out a case that the amount under default is below the threshold of Rs. 1 Crore after the recoveries made by the FC. Hence, once the conditions are met, the section 7 petition ought to be admitted.

6.7 It is settled law that a creditor can pursue proceedings against multiple debtors, simultaneously. Further the Financial Creditor has already adjusted and appropriated the recovered amounts accordingly, and the amount reflected as 'default' in the Section 7 petition - after accounting for such recoveries - substantially exceeds the threshold prescribed for admission under Section 7 of the IBC and therefore, the application ought to be admitted.

6.8 It is further submitted that the admission of an application under Section 7 of the IBC is only dependent upon the fulfilment of two essential conditions: (i) the existence of a financial default exceeding the threshold amount prescribed under the Code; and (ii) the said default falling within the applicable period of limitation. In the instant case, both conditions stand satisfied.

6.9 Furthermore, it sis submitted that the Applicant is well entitled to recover the entire amount which has fallen due and payable from the Corporate Debtor and/or guarantors/pledgors etc. whatsoever, with or without exercising any remedies/rights against the Borrower or the other Pledgors/Guarantors as per the provisions of the law.

6.10 Therefore, any details mentioned in the Supplementary Affidavit as regards alleged recovery thereof against the Pledgors/Guarantors are irrelevant for deciding fate of the instant proceedings against the Corporate Debtor before this Hon'ble Tribunal under the Code. It is submitted that the focus of the instant proceedings should be solely on the "Corporate Debtor" whether the obligations under the Loan Agreement and other facility documents have been met or not. Any alleged recoveries involving the pledgors/guarantors should not impact law that the liability of the guarantors/pledgers is co-extensive with that of the principal borrower as expressly provided under Section 128 of the Indian Contract Act, 1872.

6.11 Furthermore, it is submitted that the Financial Creditor has not invoked the pledged securities in a piecemeal manner with the deliberate intention of appropriating only the interest component while leaving the principal amount outstanding. The invocation of the pledge was carried out strictly in accordance with the terms of the transaction documents and in exercise of the Financial Creditor's contractual and legal rights upon the occurrence of events of default. The successive invocations were necessitated by the continuing defaults of the Corporate Debtor and were bona fide. The allegations of any mala fide intent or manipulation in the appropriation of the proceeds are false, baseless, and denied.

6.12 Further, it is denied that in the event the Financial Creditor had taken steps to realise the entire value of the pledged securities at the appropriate time, then the entire claim of the financial creditor against the corporate debtor would have been resolved or squared off, as alleged or at all. It is denied that in view of the breach on the part of the financial creditor, the proceeding instituted under IBC has resulted in abuse of the process of law, as alleged or at all.

6.13 Further, the Financial Creditor place reliance on the judgment of the Hon'ble Supreme Court in ***Power Trust (Promoter of Hiranmaye Energy Ltd.) v. Bhuvan Madan & Ors**. (2026 INSC 166),* wherein the Hon'ble apex court has reinforced the settled position that the Adjudicating Authority's mandate under Section 7 of the IBC is strictly limited to verifying the existence of a "debt" and "default". It was categorically held that no other factor is relevant to the admission of a CIRP application once a default is established. Consequently, as the debt and default are undisputed in the present case, the application for initiation of CIRP deserves to be admitted without further enquiry into the debtor's business.

7. Heard the learned counsels for both parties and perused the records. The present petition under Section 7 of IBC has been filed by the Financial Creditor seeking initiation of the CIRP against the Corporate Debtor on the ground of default in repayment of a purported financial debt.
8. The Financial Creditor has placed on record a series of documents which includes Loan Agreement dated 27.02.2015, the challan downloaded as the filing evidence of the latest filed Balance Sheet for the Financial Year 2019-2020 by the Corporate Debtor, certificate of registration of charge issued by the Registrar of Companies, its personal guarantee, record of default submitted to NeSL, Pledge Agreement dated 27.02.2015, Banks Statement, Notices and Annual financial Statement of the Corporate Debtor.
9. Upon perusal of the submissions made by Ld. Counsels, pleadings and documents filed on behalf of both the parties the following Issues have been framed for consideration:
   a. Whether there exists a Financial Debt within the meaning of Section 5(8) of the Code?
   b. Whether Default has occurred?
   c. Whether the Petition is barred by the Principle of limitation?
   d. Whether the manner of invocation and non-realisation of the pledged securities by the Financial Creditor prior to initiation of proceedings constitutes a valid defence to the present Application under Section 7 of the Insolvency and Bankruptcy Code, 2016??

<u>Issue A: Whether there exists a Financial Debt within the meaning of Section 5(8) of the Code?</u>

10. From the records placed before this Adjudicating Authority, it is evident that the Financial Creditor sanctioned a Term Loan Facility of Rs. 30,00,00,000/- to the Corporate Debtor under the Loan Agreement dated 27.02.2015. Out of the sanctioned amount, a sum of Rs. 24,44,44,456/- was disbursed on 17.03.2015 after adjustment of

the upfront interest, as evidenced by the Loan Agreement, Offer Letter and disbursement records placed on record.

11. The repayment schedule required the Corporate Debtor to repay the facility in eight (8) equal quarterly instalments commencing from the end of the twenty-seventh (27) month from the date of disbursement.
12. The Loan Agreement, disbursement documents, Pledge Agreement dated 27.02.2015, Banks Statement, Annual financial Statement of the Corporate Debtor and charge registration establish that money was disbursed against consideration for the time value of money.
13. The transaction clearly satisfies the ingredients of a "financial debt" under Section 5(8) of the Insolvency and Bankruptcy Code, 2016, being money disbursed against consideration for the time value of money.
14. Accordingly, this Tribunal holds that the Financial Creditor has successfully established the existence of a financial debt.

<u>Issue B: Whether Default has occurred?</u>

15. The repayment schedule required the Corporate Debtor to repay the facility in eight equal quarterly instalments commencing from the end of the twenty-seventh (27) month from the date of disbursement.
16. The Corporate Debtor failed to repay the quarterly installments as per the terms of the Loan Agreement and committed multiple defaults, leading to a failure to pay the said instalments consecutively.
17. The accounts of the Corporate Debtor was classified as Non-Performing Asset (NPA) on 01.03.2018, constituting a default under the IBC. The Event of Default Notice dated 10.07.2018 was served to the CD and Seven (7) days' time was were provided to the Corporate Debtor cure the default as per the terms and conditions of the Loan Agreement. However, on account failed to repay, the Financial Creditor issued Recall Facility Notice dated 10.08.2018, recalling the entire Term Loan Facility. However, the Corporate Debtor failed to even respond to the said recall notice.
18. The Financial Creditor also filed the Records of the default to the Information Utility (NeSL). The Information Utility record reflects the date of default as 01.03.2018. The Corporate Debtor has also not disputed that the account was classified as a Non-Performing Asset and that recall notices dated 10.07.2018 and 10.08.2018 were issued by the Financial Creditor.

19. The Corporate Debtor does not dispute the loan transaction or the occurrence of default but contends that the Financial Creditor, despite having adequate pledged securities, failed to realise the same in a timely and proper manner, appropriated the realisation towards interest instead of principal and thereby failed to mitigate its losses. It is, therefore, argued that the Financial Creditor cannot be permitted to invoke the provisions of Section 7 of the Code. We are not satisfied with aforesaid contention of the Corporate Debtor.
20. In view of the documentary evidence available on record, this Tribunal is satisfied that the Corporate Debtor has committed default in repayment of the financial debt.

Issue C: Whether the Petition is barred by the Principle of limitation?

21. The Corporate Debtor has raised a preliminary objection regarding the maintainability of the present Application on the ground of limitation. It has been contended that the account of the Corporate Debtor was classified as Non-Performing Asset (NPA) on 01.03.2018 and the loan facility was recalled *vide* notice dated 10.08.2018. According to the Corporate Debtor, the present Application filed on 15.01.2024 is barred by limitation.
22. Per contra, the Financial Creditor has submitted that the Corporate Debtor acknowledged its liability in its audited financial statements up to the Financial Year 2019-2020, which were approved by the Board of Directors on 12.08.2020 and subsequently filed with the Registrar of Companies. It is further contended that such acknowledgment constitutes a valid acknowledgment under Section 18 of the Limitation Act, 1963, thereby extending the period of limitation. The Financial Creditor has also relied upon the orders passed by the Hon'ble Supreme Court dated 10.01.2022 excluding the period from 15.03.2020 to 28.02.2022 for computation of limitation.
23. We find that the issue of limitation no longer survives for determination before this Tribunal. This Tribunal had earlier dismissed the present Application on the ground of limitation *vide* order dated 16.05.2024, which came to be affirmed by the Hon'ble National Company Law Appellate Tribunal *vide* order dated 25.03.2025. However, the Hon'ble Supreme Court, by its judgment dated 30.07.2025, directed the following

> *"46 We have no manner of doubt that sub-para 1 of para 5 of the order of this Court dated 10.01.2022 would apply and the entire period from 15.03.2020 to 28.02.2022 would stand excluded, which would mean that the limitation would, reckoning the acknowledgment of*

*12.08.2020, commence on 01.03.2022 and continue till 28.02.2025. Since the application has been filed on 15.01.2024 the same is within time. Limitation, in view of the acknowledgment as found above, having commenced only on 12.08.2020, the question of limitation expiring between 15.03.2022 and 28.02.2022 cannot arise. Hence, Para 5(III) of the order of this Court dated 10.01.2022, has no application to the facts of this case.*

*47. In view of the observations made hereinabove, the judgments of the NCLAT dated 25.03.2025 and NCLT dated 16.05.2024 are set aside. The appeal is allowed. The matter is remitted to the adjudicating authority to proceed with and decide in accordance with law, treating the application under Section 7 of the IBC, filed by the appellant, as one filed within limitation. No order as to costs."*

24. Hence, the Hon'ble Supreme Court has set aside the order dated 16.05.2024 passed by this Tribunal and order dated 25.03.2025 passed by the Hon'ble NCLAT and categorically held that the Present application is not barred by limitation and is within the prescribed period of limitation. The matter was accordingly remitted to this Tribunal for consideration of the Application on merits.

25. The findings recorded by the Hon'ble Supreme Court are binding upon this Tribunal. In view thereof, the objection raised by the Corporate Debtor with respect to limitation stands concluded and is rejected. Accordingly, this Tribunal proceeds to examine the present Application on its merits.

<u>Issue D: Whether the manner of invocation and non-realisation of the pledged securities by the Financial Creditor prior to initiation of proceedings constitutes a valid defence to the present Application under Section 7 of the Insolvency and Bankruptcy Code, 2016?</u>

26. The principal defence of the Corporate Debtor is that the Financial Creditor has not approached this Tribunal with clean hands and that the present proceedings have been initiated despite the Financial Creditor having adequate pledge shares securities for the loan. It has been submitted that, pursuant to the Loan Agreement dated 27.02.2015, the Financial Creditor had obtained pledge of 2,52,17,391 equity shares of Adhunik Metaliks Limited, comprising 21,43,485 shares pledged by Mahananda Suppliers Limited, 2,22,63,102 shares pledged by Sungrowth Share & Stocks Limited and 8,10,804 shares pledged by the Corporate Debtor itself. The market value of the pledged shares at the time of creation of the pledge was approximately Rs.19.85 per share, aggregating to approximately Rs.50 Crores, which was more than twice the amount actually disbursed by the Financial Creditor.

27. It has further been submitted that instead of enforcing the pledge in its entirety at an appropriate stage, the Financial Creditor invoked the pledged shares in a piecemeal manner over an extended period. During the Financial Year 2016-17, the Financial Creditor invoked the shares pledged by Mahananda Suppliers Limited and realised Rs.1,57,29,924/-, and also invoked the shares pledged by the Corporate Debtor itself and realised Rs.58,40,356/-. During the Financial Year 2017-18, the Financial Creditor further invoked part of the shares pledged by Sungrowth Share & Stocks Limited and realised Rs.6,14,90,908/-, thereby recovering an aggregate amount of Rs.8,30,61,278/-.
28. The Corporate Debtor has asserted that despite such recoveries, the Financial Creditor continued still holding 78,86,958 pledged shares of Adhunik Metaliks Limited and failed to liquidate the same at an appropriate time, despite being aware of the deteriorating financial condition of the said company and the insolvency proceedings initiated against before this Tribunal.
29. The Corporate Debtor has further contended that the Financial Creditor deliberately appropriated the amounts realised from invocation of the pledged shares towards the interest component instead of reducing the principal outstanding. It has been submitted that only during the year 2017 was a sum of approximately Rs.3.07 Crores adjusted towards the principal amount, whereas the remaining recoveries were appropriated towards interest. According to the Corporate Debtor, had the Financial Creditor appropriated the recoveries towards the principal and enforced the remaining pledged securities in a timely manner, the outstanding liability would have stood substantially reduced or extinguished. On this basis, it has been submitted that the Financial Creditor cannot now invoke the provisions of Section 7 of the Code and that the present proceedings amount to an abuse of the insolvency process. However, even assuming, without admitting, the correctness of the submissions made by the Corporate Debtor and further assuming that the entire amount realised from the invocation of the pledged shares had been adjusted towards reduction of the principal outstanding, the admitted debt would nevertheless continue to remain well above the minimum threshold prescribed under Section 4 read with Section 7 of the Code.
30. Per contra, the Financial Creditor has submitted that the loan facility sanctioned to the Corporate Debtor was Rs. 30,00,00,000/-, against which an amount of Rs. 24,44,44,456/- was actually disbursed on 17.03.2015. It has been submitted that the

Corporate Debtor committed persistent defaults in repayment, resulting in classification of the loan account as Non-Performing Asset on 01.03.2018, followed by issuance of the Event of Default Notice dated 10.07.2018 and Recall Notice dated 10.08.2018. It has been further submitted that the total amount in default, after giving due credit to all recoveries effected through invocation of pledged shares and after adjustment of all amounts realised, stood at Rs.55,45,97,395/- as on 15.11.2023, as reflected in the present Application.

31. Having considered the submissions made by the parties, this Tribunal is of the considered view that the aforesaid contention of the Corporate Debtor is devoid of merit and cannot be accepted.

32. The principal contention raised by the Corporate Debtor pertains to the timing of invocation and enforcement of the pledged shares, the commercial prudence exercised by the Financial Creditor in enforcing the collateral security, the manner in which the proceeds realised from such enforcement were appropriated towards interest and principal and the allegation that the Financial Creditor, despite continuing to hold 78,86,958 pledged shares of Adhunik Metaliks Limited, did not realise the said shares and instead proceeded to file the present application under Section 7 of the Code while keeping the pledge securities outstanding.

33. Upon perusal of the Pledge Agreement dated 27.02.2015, this Tribunal finds that Clause 6.2(b), relating to the Sale of Pledged Securities, expressly confers upon the Financial Creditor the discretion to enforce and dispose of the pledged securities. The relevant portion of Clause 6.2(b) is reproduced below:

***Sale of Pledged Securities***

*IFIN shall be entitled (but not bound) to sell or otherwise dispose of, in any manner all or any of the Pledged Securities, at the risk and expense of the Borrower/Pledgor(s), by public auction or private contract in such manner and upon such terms and subject to such conditions as IFIN may think fit, without obtaining consent of the Borrower/Pledgor(s) but after giving written notice of not less than 7 days to the Borrower/Pledgor(s). However, on the happening of an Event of Default on account of failure on the part of the Borrower/Pledgor(s) to maintain the margin of the Pledged Securities, IFIN shall give a written notice of 2 (Two) working/trading days to the Borrower/Pledgor(s), within which period the margin has to be restored, failing which IFIN shall be entitled to sell or otherwise dispose of or enforce the Pledged Securities without any further notice to the Borrower and/or the Pledgor(s) and the Borrower and the Pledgor(s) hereby consent* *to such notice. The powers conferred on IFIN pursuant to the Power of Attorney executed by the Pledgor(s) in their favour, shall be exercisable immediately on the happening of an Event of Default and a notice being issued by IFIN to that effect.*

34. A plain reading of Clause 6.2(b) demonstrates that the Financial Creditor was vested with the contractual right, though not an obligation, to sell or otherwise enforce the pledged securities upon the occurrence of an Event of Default. The clause unequivocally leaves the timing, manner and extent of such enforcement to the commercial discretion of the Financial Creditor, subject to compliance with the stipulated notice requirements. The expression "shall be entitled (but not bound)" makes it abundantly clear that enforcement of the pledged securities was permissive and not mandatory. Accordingly, the Financial Creditor had not faulted in invoking or realising the pledged securities at any particular point of time, as the decision regarding such enforcement falls within its commercial discretion. Such discretion does not affect the existence of the 'financial debt' or the occurrence of 'default' and therefore, does not constitute a valid defence to the present application under Section 7 of the Code.

35. The material placed on record further reveals that the Financial Creditor had, prior to enforcing the pledged securities, issued notices to the Corporate Debtor *vide* letters dated 20.10.2016, 01.11.2016, 05.01.2017, 03.02.2017, 02.03.2017 and 03.04.2017, thereby complying with the contractual procedure contemplated under the Pledge Agreement. Consequently, the contention of the Corporate Debtor regarding the timing of invocation of the pledge, the decision to retain certain pledged shares, the manner of enforcement and the appropriation of the sale proceeds pertains to matters arising from the contractual rights and obligations of the parties and the commercial wisdom exercised by the Financial Creditor in enforcing its security interest. Hence, this Tribunal is of the opinion that disputes do not impact upon the existence of the underlying financial debt or the occurrence of default, both of which stand independently established on the basis of the material available on record.

36. Significantly, the Corporate Debtor has not disputed that a sum of Rs. 24,44,44,456/- was disbursed under the loan facility. Likewise, the Corporate Debtor has not disputed the classification of the account as NPA on 01.03.2018, the issuance of the recall notices, or the occurrence of default. Even according to the Corporate Debtor, the recoveries from invocation of pledged shares aggregated to Rs. 8,30,61,278/-, whereas

the amount claimed to be in default by the Financial Creditor, after accounting for all such recoveries, is Rs. 55,45,97,395/- as on 15.11.2023. The Corporate Debtor has not placed any material on record to demonstrate that after giving credit to all recoveries, the outstanding financial debt stood fully discharged or that the default fell below the statutory threshold under Section 4 of the Code.

37. The jurisdiction of this Adjudicating Authority under Section 7 of the Code is confined to examining whether a ‘financial debt’ exists and whether a ‘default’ has occurred. Questions relating to the adequacy of the security, the timing of enforcement of the pledge, the quantum realised from sale of pledged shares, or the manner of appropriation of the sale proceeds are matters which may give rise to contractual disputes between the parties but do not constitute a valid defence to an application under Section 7 once the existence of a financial debt and default stands established.

38. We are, therefore, of the considered opinion that the objections raised by the Corporate Debtor regarding the invocation of 2,52,17,391 pledged shares, the recoveries of Rs. 8,30,61,278/-, the alleged retention of 78,86,958 shares, and the manner of appropriation of the sale proceeds do not affect the maintainability of the present proceedings under Section 7 of the Code. These objections do not extinguish the ‘financial debt’ or dislodge the occurrence of ‘default’ established from the material placed on record.

39. In view of the explanation above, this Adjudicating Authority to take cognizance of the debt and default shown to be admitted by the Corporate Debtor for the petitioner. In the present case, admittedly, the default committed is above the threshold limit of INR 1 Crore.

40. It can be seen from Section 7(5) of IBC, 2016, that the Adjudicating Authority has a limited role at the stage of admission of an application filed by a financial creditor. The authority must admit the application under Section 7(5)(a), if it is satisfied that: (i) a default above INR 1 crore has occurred; (ii) the application is complete; and (iii) no disciplinary proceeding is pending against the proposed resolution professional or reject the application under Section 7(5)(b) if satisfied that: (i) default has not occurred; OR (ii) the application is incomplete; OR (iii) disciplinary proceeding is pending against the proposed resolution professional.

41. This Tribunal places reliance upon the judgment of the Hon’ble Supreme Court in ***Power Trust (Promoter of Hiranmaye Energy Ltd.) v. Bhuvan Madan (Interim Resolution***

***Professional of Hiranmaye Energy Ltd.) & Ors.*** (Civil Appeal No. 2211 of 2024), wherein the Hon'ble Supreme Court examined the scope of the jurisdiction of the Adjudicating Authority under Section 7 of the Insolvency and Bankruptcy Code, 2016, and observed as under:

> *"90. We are clearly of the view that the adjudicating authority (NCLT) as also the Appellate Tribunal (NCLAT) fell in error in holding that once it was found that a debt existed and a corporate debtor was in default in payment of the debt there would be no option to the adjudicating authority (NCLT) but to admit the petition under Section 7 IBC."*

42. This Adjudicating Authority is of the view that it is required only to ascertain the existence of a "debt" and a "default" at the stage of admission of a Section 7 petition. Any dispute with regard to the exact quantum of debt is immaterial. The sole consideration is whether the amount in default exceeds the minimum threshold prescribed under Section 4(1) of the IBC

43. In ***Suzlon Synthetics Ltd. v. Stressed Asset Stabilization*** Company Appeal (AT) (Insolvency) No. 662-663 of 2022 the Hon'ble NCLAT has categorically held that the precise amount of financial debt is irrelevant so long as the amount admitted by the Corporate Debtor exceeds the minimum threshold under Section 4(1) of the IBC. The Hon'ble NCLAT further noted that the scheme of the IBC clearly provides for a separate and detailed mechanism for invitation, submission, verification, and determination of claims by the IRP/RP under Section 25 of the IBC read with the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016. The determination of the exact quantum of claims is therefore a post-admission exercise and does not form part of the limited jurisdiction of the Adjudicating Authority at the admission stage. The relevant extract of Suzlon Synthetics (supra) is extracted below:

> *"14. In the light of detailed provisions in Chapter IV (Proof of Claims) in the Insolvency & Bankruptcy Board of India (Insolvency Resolution Process For Corporate Person) Regulations, 2016 as explained in the aforementioned paragraphs, the invitation, submission and verification of claims of operational and financial creditors, workmen and employees and other creditors is quite clear. In so far as the facts included in the Section 7 application in Form 1 application is concerned, the financial creditor as to provide information about the debt which is due and payable and also the date and record of default.* ***There is no requirement in the adjudication of Section 7 application to calculate and fix the exact amount of debt in default of repayment. It is only to be seen whether the amount in***

***default is more than the minimum or threshold value that is prescribed in Section 4 (1) of the IBC."***

44. This Tribunal also places reliance upon the judgment of the Hon'ble Supreme Court in ***M. Suresh Kumar Reddy v. Canara Bank & Ors.,*** ((2023) ibclaw.in 67 SC), wherein, it was held that"

*"10.* ***Thus, once NCLT is satisfied that the default has occurred, there is hardly a discretion left with NCLT to refuse admission of the application under Section 7...***

*...Thus, even the non-payment of a part of debt when it becomes due and payable will amount to default on the part of a Corporate Debtor. In such a case, an order of admission under Section 7 of the IB Code must follow. If the NCLT finds that there is a debt, but it has not become due and payable, the application under Section 7 can be rejected. Otherwise, there is no ground available to reject the application."*

45. Moving ahead, as per Section 7 of the IBC, the Adjudicating Authority is required to satisfy itself on the following three grounds only while admitting a petition u/s 7 of the Code:
    i. a financial debt exists, and default exceeding Rs. 1 crore has occurred in respect of the debt owed to the Applicant or any other financial creditor,
    ii. that the application is complete in all respects, and
    iii. that the proposed Resolution Professional is not disqualified from being appointed as an RP.

As recorded above in our analysis, these three conditions have been satisfied. Hence, the present petition deserves to be admitted.

## ORDER

46. Having regard to the conspectus of the present case (as discussed above) we are inclined to **ADMIT** the present petition bearing No. **CP (IB)/2/GB/2024** filed under Section 7 of IBC, 2016 and pass the following order:
    i. Accordingly, the petition bearing no. CP (IB)/2/GB/2024 filed by Petitioner under Section 7 of the IBC, 2016 for initiating CIRP against the Corporate Debtor i.e. Adhunik Meghalaya Steels Private Limited, is hereby ADMITTED and this Adjudicating Authority orders the commencement of the Corporate Insolvency Resolution Process. The commencement of the CIRP shall be effective from the date of this order.

ii. As a consequence thereof, the petition being admitted in terms of Section 7 of the IBC, 2016, the moratorium as envisaged under the provisions of Section 14(1) of the IBC, 2016 shall follow in relation to the Corporate Debtor as per clauses (a) to (d). The order of moratorium shall effect from the date of this order till the completion of the Corporate Insolvency Resolution Process or until this Adjudicating Authority approves the Resolution Plan under sub section (1) of Section 31 or passes an order for Liquidation of Corporate Debtor under Section 31 of the Code, as the case may be.

iii. The FC has proposed the name of Mr. Sanjay Kumar Poddar as the IRP at Part III of Form I (Application By Financial Creditor to Initiate Corporate Insolvency Resolution Process under Chapter II of Part II of the Code), the written consent in Form 2 as required under Rule 9 (1) of the Insolvency & Bankruptcy (Application to Adjudicating Authority) Rules, 2016 is annexed as Annexure E of the main petition. The authorisation for assignment (AFA) is valid till 30.06.2027.

Accordingly, this Adjudicating Authority appoints Mr. Sanjay Kumar Poddar as proposed. The details of this IRP are provided below:

**Name**- Mr. Sanjay Kumar Poddar

**Registration No**. - IBBI/IPA-001/IP-P-01802/2019-2020/12759

**Email-** Poddar.sanjay@gmail.com

**Address-** Todi Chamber, 2 Lal Bazar Street, 2nd Floor, Room 201-203, Kolkata, West Bengal, 700001.

47. In pursuance of Section 13 (2) of the IBC, 2016, we direct the IRP to make public announcement immediately with regard to the admission of this application under Section 7 of the Code. The expression immediately means within three days as clarified by the Explanation to Regulation 6(1) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016.

48. During the CIRP period, the management of the Corporate Debtor shall vest in the IRP/RP and shall perform all his functions as contemplated, inter-alia, under sections 17, 18, 20 and 25 of the Code. It is further made clear that all personnel connected with the corporate debtor, its promoters, or any other person associated with the management of the corporate debtor are under legal obligation as per section 19 of the Code to extend every assistance and cooperation to the IRP/RP. Where any personnel

of the corporate debtor, its promoters, or any other person required to assist or cooperate with IRP/RP, do not assist or cooperate, the IRP/RP is at liberty to make appropriate application to this Adjudicating Authority with a prayer for passing an appropriate order.

49. The IRP is expected to take full charge of the Corporate Debtor's assets, and documents without any delay whatsoever. He is also free to take police assistance and this Court hereby directs the Police Authorities to render all assistance as may be required by the IRP in this regard.
50. The IRP or the RP, as the case may be shall submit to this Adjudicating Authority periodical report with regard to the progress of the CIRP in respect of the Corporate Debtor and the action taken in compliance of Section 17, 18, 20, 25 of the Code and Regulation 3A & 4 of the IBBI (CIRP) Regulations, 2016.
51. The FC shall deposit a sum of Rs. 3,00,000/- (Rupees Three Lakhs Only) with the IRP to meet the expenses arising out of issuing public notice and inviting claims. These expenses are subject to the approval of the Committee of Creditor (CoC). This amount shall be adjusted towards the fees and expenses payable to the IRP/RP.
52. The Registry is directed to send e-mail copies of the order forthwith to all the parties inclusive of the Counsels.
53. The registry is further directed to send a copy of the order to the IBBI for their record.
54. The IRP shall also serve a copy of this order to the various departments such as Income Tax, GST (centre), State Trade Tax, Provident Fund, etc. who are likely to have their claim against the Corporate Debtor as well as to the trade unions/employees associations so that they are informed timely initiation of CIRP against the Corporate Debtor timely.
55. Urgent certified copy of this order, if applied for, be issued upon compliance with all requisite formalities.
56. File be consigned to records.

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| **Sd/-**<br>**Yogendra Kumar Singh**<br>**Member (Technical)** | **Sd/-**<br>**Rammurti Kushawaha**<br>**Member (Judicial)** |

*Signed this on 21st day of July, 2026*

*Aditya Prakash. (LRA)*