NATIONAL COMPANY LAW TRIBUNAL

COURT ROOM NO. 1,

MUMBAI BENCH

Item No. 133

IA(I.B.C)/3226(MB)2026 In C.P. (IB)/757(MB)2023

CORAM:

SH. PRABHAT KUMAR **SH. SUSHIL MAHADEORAO KOCHEY**

HON'BLE MEMBER (TECHNICAL) **HON'BLE MEMBER (JUDICIAL)**

ORDER SHEET OF THE HEARING ON **23.10.2026**

NAME OF THE PARTIES: **IA(I.B.C)/3226(MB)2026**

Krishna Chamadia, the Liquidator of C. Mahendra Exports Ltd.

IN THE MATTER OF

Bank of Baroda VS C. Mahendra Exports Limited.

Section 7 & 60(5) of the Insolvency and Bankruptcy Code, 2016

ORDER

1) Adv. Tejas Agarwal and Adv. Anushka Singh for the Applicant are present through VC.

2) The Interlocutory Application is filed by Mr. Krishna Chamadia ("Applicant"), who is the Liquidator of C. Mahendra Export Limited. ("Corporate Debtor") under Section 28A and Section 60 (5) of the Insolvency and Bankruptcy Code, 2016, seeking following reliefs:-

a. This Hon'ble Tribunal be pleased to pass an order permitting and directing the Applicant to conduct a joint sale/e-auction of the land at Old Revenue Survey 352, 353, 354, T.P.S. No. 4, Final Plot No.37, City Survey No. 1959-B (part), 1961-B (part), 1961-C (part)

& remaining City Survey No. 1959-A (Part), 1960 (Part) 1961-A (Part) and 1962, Village Katargam, Ashwani Kumar Road, Taluka Choryasi, Surat 395004 Gujrat, admeasuring 2590 sq mtrs. (owned by the corporate guarantors namely: Polo Developers Private Limited (Respondent No. 2), Ashesha Trading Private Limited (Respondent No. 3) and Alright Trading Private Limited (Respondent No. 4) mortgaged to Bank of Baroda and the factory, building and machinery standing on the Land owned by the Corporate Debtor;

b. For any interim and ad-interim reliefs;

c. For costs.

3) The present application ("Application") is being filed by Mr. Krishna Chamadia ("Applicant"), who has been appointed as the Liquidator ("Liquidator") of C. Mahendra Export Limited ("Corporate Debtor") by this Adjudicating Authority by an order dated 29th July, 2025 ("Liquidation Order"), commencing the Liquidation Process of the Corporate Debtor. The Corporate Insolvency Resolution Process ("CIRP") of the Corporate Debtor was commenced by this Tribunal by an Order dated 4 October, 2024 ("Admission Order") under the provisions of the Insolvency and Bankruptcy Code, 2016 ("Code") for the purpose of conducting a joint sale/e-auction of the assets of the Corporate Debtor and the Corporate Guarantors. The Land is owned by the Corporate Guarantors, and the building, factory and machinery standing thereon are owned by the Corporate Debtor. Although the Katargram Assets are owned by separate entities, they operate as one economic unit and are inextricably tied to each other. Thereafter, the Committee of Creditors, in their commercial wisdom, have suggested a joint sale/e-auction to maximize the value of the Katargram Assets of the CD to benefit the creditors.

4) The owners of land, namely M/s Polo Developers Private Limited (Respondent No. 2), Ashesha Trading Private Limited (Respondent No. 3),

and Alright Trading Private Limited (Respondent No. 4), were impleaded by the Applicant as party Respondents. The notices issued to them returned undelivered. However, the notice sent to the email address available in the MCA records did not return undelivered. Nonetheless, the Applicant was also directed to serve these notices by way of paper publication, which was carried out, and an affidavit of service in relation thereto was filed by the Applicant. None of these Respondents appears today.

5) The Applicant liquidator seeks approval of this Tribunal for the sale of land owned by these three Respondents, as the building owned by the corporate debtor stands on that land. Further, both the land and the building are mortgaged to the consortium lenders of the corporate debtor, and the property in question is stated to be in the possession of the lenders in terms of the SARFAESI Act. Accordingly, these lenders, comprising the CoC (committee of creditors), have resolved to put the building and other assets owned by the corporate debtor, together with the land owned by these respondents, up for sale for value maximisation.

6) The liquidator has drawn our attention to Section 28 A of the Insolvency and Bankruptcy Code inserted w.e.f. 26.05.2026 whereby the assets of personal guarantor or corporate guarantor, which are in possession of the creditors of the corporate debtor as security interest, are allowed to be dealt with in the Insolvency Resolution with prior approval of the CoC. The liquidator has sought to draw an analogy from this provision to apply it to the liquidation process.

7) At the outset, the provision of the Code in relation to Corporate Insolvency Resolution Process cannot be imported into the liquidation process; both are distinct. Further, even Section 28A does not contemplate approval of this Tribunal. Accordingly, we do not feel that the approval of this Tribunal is required if the liquidator decides to proceed in terms of the CoC decision. Since the Code does not contemplate this Tribunal approval for the proposed sale, we consider it appropriate to dismiss this application. Needless to say, it is for the CoC and Security Interest Holder to decide

how and in what manner the assets of the corporate debtor and the security interest of the creditors in the assets owned by guarantors are to be liquidated, and dismissal of this application shall not be construed as an expression of any opinion by this Tribunal in relation to the proposed sale.

8) In terms of the above, IA(I.B.C)/3226(MB)2026 is dismissed and disposed of.

Sd/-
PRABHAT KUMAR
MEMBER (TECHNICAL)

Sd/-
SUSHIL MAHADEORAO KOCHEY
MEMBER (JUDICIAL)

/Nitesh Puri Goswami/
(Stenographer)