S.No.04

IN THE NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH – II
VC AND PHYSICAL (HYBRID) MODE
ATTENDANCE CUM ORDER SHEET OF THE HEARING HELD ON
20.11.2026 AT 10:30 A.M.

IA(IBC)1615/2025 & IA(IBC)982/2025 in
CP(IB) No. 294/7/HDB/2017
U/s 7 of IBC

IN THE MATTER OF:
State Bank of India

…Petitioner/s

Vs

IVRCL Limited

…Respondent/s

C O R A M:-
SHRI. RAJEEV BHARDWAJ, HON'BLE MEMBER (JUDICIAL)
SHRI. SANJAY PURI, HON'BLE MEMBER (TECHNICAL)

O R D E R

IA(IBC)982/2025

Present: Ms.Shradda Gupta, Ld. Counsel for the Petitioner.

Orders pronounced, recorded vide separate sheets.

In the result, this application is partly allowed.

IA(IBC)1615/2025

Present: Ms.Shradda Gupta, Ld. Counsel for the Petitioner.

Orders pronounced, recorded vide separate sheets.

In the result, this application is dismissed.

-sd-
MEMBER(T)

-sd-
MEMBER(J)

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IN THE NATIONAL COMPANY LAW TRIBUNAL

HYDERABAD BENCH – II

IA (IBC) No. 982 of 2025 in

CP (IB) No. 294/07/HDB/2017

In the matter of

M/s IVRCL LIMITED

Between:

M/s NTPC Limited,
Solapur Super Thermal Power Project
PO Hotgi Station at Fatatewadi ,
South Solapur, Solapur MH – 413215
Through its Authorised Representative

....Applicant

And

Mr. Purusottam Behera,
Liquidator of M/s IVRCL Limited,
"MIHIR", 8-2-350 /5 /A/24 / 1B,
Road # 2, Panchvati Colony ,
Banjara Hills , Hyderabad -500034,
Telangana

....Respondent

Date of order: 20.11.2026

CORAM:

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

Counsel/Parties present:

For the Applicant : Ms. Sagarika Koneru, Ld. Counsel
For the Respondent : Ms. Mily Ghoshal, Ld. Counsel

The Application

1. This application has been filed under Section 42 of the Insolvency and Bankruptcy Code, 2016 (**Code**) by M/s NTPC Limited (**NTPC** or the **Applicant**), which claims to be an operational creditor of M/s IVRCL Limited, the Corporate Debtor (**CD**), against the Liquidator of the CD i.e Mr. Purusottam Behera (the **Respondent** or the **present Liquidator**), as recorded below. The Applicant complains that the erstwhile Liquidator neither admitted nor rejected the claim it submitted on 06.10.2020 in Form C of Schedule II to the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016 (**Liquidation Regulations**), and seeks a direction to the Liquidator to verify and adjudicate that claim.

2. By order dated 26.07.2019, this Tribunal directed the liquidation of the CD and appointed the erstwhile Liquidator as Liquidator.[1] The erstwhile Liquidator published a public notice[2] in Form B of Schedule II on 31.07.2019, calling upon stakeholders to submit their claims on or before 25.08.2019. According to the Applicant, Regulation 30 of the Liquidation Regulations requires the Liquidator to verify the claims within thirty days from the last date for receipt of claims and to admit or reject each claim, in whole or in part.

3. The Applicant submitted its claim in Form C on 06.10.2020, that is, after the last date fixed in the public notice.[3] It states that its claim arises out of the following facts.

4. The Applicant issued a Letter of Award No. 9571-315-9-CS-LOA-5680 dated 30.03.2012 (**LOA**) to the CD for the "Main Plant, CW, offsite Civil Works and Chimney & Chimney Elevator Package" of the Solapur Super Thermal Power Project (2x660 MW), for a total value of Rs

[1]Annexure A-2 to the Application
[2]Public Notice in Form B of Schedule II to the Liquidation Regulations dated 31.07.2019
[3]Annexure A-3 to the Application

1,20,23,48,952.32.[4] The scope of work, timelines and obligations were to be formalised in the General Conditions of Contract (**GCC**).[5] Under the LOA all works were to be completed within forty-five calendar months from its date, and the CD was to ensure that every milestone in the agreed Work Schedule was achieved on or before the scheduled date. Clause 6.0 of the LOA records that time is of the essence. Clause 10.0 provides that if the CD fails to complete the works within the stipulated time, it is liable to pay compensation or damages for delay, subject to a maximum of 5% of the total contract price.

5. The Applicant alleges that the CD was lax in executing the works from the outset and that the resulting delays were solely attributable to the CD's acts and omissions. It states that, because of this delay, it was compelled to take over completion of the works itself, and off-loaded substantial portions of the pending works to third parties, at the risk and cost of the CD, in accordance with the terms of the contract. The Applicant further states that the CD continued to default in performing its obligations, and that it terminated the contract on 23.04.2019 under Clause 41(a), (b) and (c) of the General Conditions to the Contract for Civil Works.[6] After the termination, the balance works were executed through contracts awarded to various agencies, again at the risk and cost of the CD.

6. The Applicant states that, as the CD did not complete the works and the Applicant had to off-load them to third parties, it sustained losses of Rs 132.25 crore, which, in its submission, the CD is bound to compensate under the terms of the LOA. It is these losses that form the subject of its claim before the erstwhile Liquidator.

[4]Annexure A-4 to the Application
[5]Annexure A-5 to the Application
[6]Annexure A-6 to the Application

7. The Applicant states that, after filing its claim, it sent an email on 07.10.2020 asking the erstwhile Liquidator to review it, and sent further reminders on 11.07.2022, 10.01.2024, 12.05.2024 and 19.09.2024, requesting that the claim be reviewed and admitted or registered.[7] It received no reply to any of these emails, and the erstwhile Liquidator has to date communicated neither admission nor rejection of the claim. The Applicant states that it learnt of the non-consideration of its claim only on checking the CD's website for the updated list of creditors as on 30.06.2025.

8. The Applicant acknowledges that its claim was filed beyond the deadline of 25.08.2019. It attributes the delay to non-receipt of financial documents, to difficulties arising from the pandemic, and to lack of response from the CD, and states that it thereafter acted diligently and followed up with the erstwhile Liquidator continuously, as the above emails show. It relies on ***Asmi Enterprises v. Yog Industries Ltd.***,[8] in which the NCLT, Mumbai Bench, following ***T.R. Rajakumari v. Motion Picture Producers Combine Ltd.***,[9] held that a creditor may prove its debt at any time before the final distribution of assets, though it cannot disturb a dividend already paid, and condoned the delay in filing a claim because the liquidation had not been finalised and no prejudice would result. The Applicant submits that, as its claim was filed before the liquidation is finalised and before any final distribution, the delay deserves to be condoned on the same footing. It adds that if the liquidation concludes before its claim is considered, the claim will become infructuous and it will be left remediless, since no entity will remain against which it can be pursued.

[7]Emails dated 07.10.2020, 11.07.2022, 10.01.2024, 12.05.2024 and 19.09.2024
[8]Asmi Enterprises v. Yog Industries Ltd., CP 82/IBC/NCLT/MB/MAH/2017, order dated 10.04.2019 (NCLT, Mumbai Bench)
[9]T.R. Rajakumari v. Motion Picture Producers Combine Ltd., AIR 1942 Mad 349

9. The Applicant contends that the erstwhile Liquidator's inaction is contrary to the Code, the Liquidation Regulations and the principles of natural justice. It submits that Section 39 of the Code casts a duty on the liquidator to verify the claims submitted, and permits him to call upon the creditor, the corporate debtor or any other person to produce documents for that purpose, and that verification must proceed on an objective examination of the material furnished by both the Applicant and the CD. According to the Applicant, the erstwhile Liquidator did not examine the documents furnished to him. It further submits that Section 40 of the Code requires the liquidator, after verification, to admit or reject a claim in whole or in part, to record in writing his reasons for any rejection, and to communicate his decision to the creditor and the corporate debtor within seven days. The erstwhile Liquidator has done none of these things, and has also not complied with Regulation 30 of the Liquidation Regulations, which required him to decide the claim within thirty days.

10. The Applicant submits that the Liquidator is a quasi-judicial authority and is required to apply his mind to claims on their merits and to act impartially. By ignoring its claim and its reminders, without giving any reasons or an opportunity of being heard, the erstwhile Liquidator has in its submission acted illegally, arbitrarily and in breach of the principle of *audi alteram partem*. It further submits that the erstwhile Liquidator's conduct amounts to acting as an adversary of the Applicant.

11. The Applicant also submits that it has no alternative remedy other than the present Application. Relying on the observation of the Hon'ble Supreme Court in ***Swiss Ribbons Pvt. Ltd. v. Union of India***[10] that liquidation is a last resort, it argues that a claim which is not acknowledged in the liquidation is extinguished, so that once the

[10]Swiss Ribbons Pvt. Ltd. v. Union of India, (2019) 4 SCC 17 (Writ Petition (Civil) No. 99 of 2018)

liquidation is concluded no forum will remain before which the claim can be adjudicated. It states that its claim is bona fide, and that if the claim is not considered, it will suffer prejudice and irreparable loss.

12. On these grounds the Applicant prays that this Tribunal (a) condone the delay in submitting its Form C claim dated 06.10.2020; (b) direct the Respondent to decide and admit the claim of Rs 1,20,23,48,952.32, with outsourcing costs and interest at 18% per annum from the commencement of liquidation; (c) grant an ex parte ad-interim stay protecting its claim; and (d) direct the Respondent to update the list of stakeholders under Regulation 31.

Respondent's Counter

13. The present Liquidator has filed a Counter opposing the Application. He states that the grounds taken in the Application are frivolous, misconceived and baseless, and that nothing in the Application is to be taken as admitted for want of specific traverse, except what is expressly admitted. He admits the order of liquidation, the public announcement and the last date for filing claims, and that the erstwhile Liquidator received the Applicant's Form C.

14. As to the background, he states that a Company Petition was filed by State Bank of India, and that the Corporate Insolvency Resolution Process (**CIRP**) was initiated against the CD by order dated 23.02.2018, with Mr. Sutanu Sinha appointed as Interim Resolution Professional. The Committee of Creditors confirmed him as Resolution Professional at its first meeting on 29.03.2018. A public notice in Form A inviting claims was issued on 03.03.2018. As no resolution plan could be completed, this Tribunal ordered liquidation by order dated 26.07.2019, read with the corrigendum order dated 31.07.2019, and confirmed Mr. Sinha as Liquidator.

15. The Respondent further states that this Tribunal, by order[11] dated 29.10.2025, appointed him as Liquidator in place of the erstwhile Liquidator, that he took charge from the erstwhile Liquidator only on 10.12.2025, and that this Tribunal allowed his application for substitution, IA No. 10 of 2025, by order[12] dated 06.01.2026.

16. On the facts, the Respondent states that the Applicant awarded the work by Letter of Award dated 30.03.2013, for a total value of Rs 289,55,99,256, subject to price adjustment, with completion required within forty-five months, that is, on or before 30.11.2016. The CD was to furnish a security deposit of Rs 14,47,79,963 by bank guarantee or by deductions of 10% from each on-account payment, and an additional security of Rs 23,11,19,126 towards ALR items by an unconditional and irrevocable bank guarantee, making Rs 37,58,99,089 in all. He states that the CD completed the work within the contractual period, and that the Applicant received and acknowledged it. He further states that disputes thereafter arose between the parties, as a result of which the Applicant never issued a completion certificate. He denies that the CD was lax or delayed the work.

17. The Respondent states that the Applicant has produced no document showing any delay or default by the CD, or any off-loading of work to third parties at the CD's risk and cost, and that its allegations are bare statements. He also states that the claim for compensation for delay under Clause 10 of the LOA has not been adjudicated or quantified in any manner.

18. As to the alleged termination, the Respondent states that the Applicant has not placed on record any termination notice. All it has annexed to Form C is a letter dated 23.04.2019, whose mode of communication is

[11]Annexure A1 to the Counter, order dated 29.10.2025
[12]Annexure B1 to the Counter, order dated 06.01.2026 in IA No. 10 of 2025

unknown. He submits that Clause 41 of the GCC requires a written notice of seven days from the Engineer-in-Charge for the default alleged, and that only if the default continues and is not remedied may the Applicant cancel the contract, in whole or in part, by written notice.[13] No such notices have been produced. He adds that under Clause 41.2 the Accepting Authority must determine the amount recoverable, giving the CD credit for the work executed. It is alleged that the Applicant has not shown how the amount in Form C was arrived at, and the amount appears to be assumptive. He further submits that the contract provides for arbitration, which the Applicant did not invoke, and that termination on 23.04.2019 makes no sense when the work was to be completed by 30.11.2016. He concludes that the claim is contingent and uncrystallised.

19. The Respondent further submits that, as the CIRP commenced on 23.02.2018, the alleged termination on 23.04.2019 was barred by the moratorium under Section 14 of the Code and is void and non est. He submits that, without a valid termination, no claim can arise, and that the Applicant has approached this Tribunal with unclean hands.

20. The Respondent points out that Form C sets out five heads of claim: (i) additional financial implication in executing the balance works; (ii) an additional 10% for overhead costs on the left-over work; (iii) the cost of owner-issued materials supplied to the CD for incorporation into the works; (iv) an additional 10% for overhead costs on head (iii); and (v) interest for eighteen months, from April 2019 to September 2020, at 12% per annum.[14] He submits that these heads show that no ascertained claim had arisen, and that no supporting documents were annexed.

[13]Annexure A-5 to the Application, Clause 41
[14]Annexure A-3 to the Application (Form C)

21. On delay, the Respondent states that the last date for claims was 25.08.2019 and that the Applicant filed its claim on 06.10.2020, after 408 days. He submits that the Applicant's reliance on the pandemic is a misleading attempt to shield the delay, as Covid arrived in March 2020, about seven months after the last date, and that no sufficient cause has been shown. He submits that the case law cited by the Applicant is of no relevance since the delay is unexplained, and invokes the maxim *vigilantibus non dormientibus jura subveniunt*. He therefore submits that the claim could not be admitted and that the Application should be dismissed in limine.

22. The Respondent also relies on the order of this Tribunal in ***M/s Meja Urja Nigam Pvt. Ltd. v. Mr. Sutanu Sinha, Liquidator of IVRCL Ltd.***,[15] in which the Tribunal dismissed an application and upheld the Liquidator's rejection of the claim, observing that the claims there were mostly tentative, contingent or potential, and some purely hypothetical. He states that an appeal against that order is pending before the Hon'ble NCLAT, with no interim protection granted.

23. Finally, the Respondent submits that the Application is premature and discloses no cause of action, that the erstwhile Liquidator discharged his duties under the Code, and that the Application is an abuse of the process of law. He prays that it be dismissed.

Applicant's Rejoinder

24. The Applicant has filed a Rejoinder denying the averments in the Counter in toto, and stating that any averment not specifically admitted is deemed denied and the Respondent is put to strict proof.

[15]M/s Meja Urja Nigam Pvt. Ltd. v. Mr. Sutanu Sinha, Liquidator of IVRCL Ltd., IA No. 550 of 2021, order dated 03.10.2024 (Annexure C to the Counter)

25. On the Respondent's prayer for condonation of delay in filing the Counter, the Applicant states that the Application was filed in March 2025, when the erstwhile Liquidator was in charge, and that he had ample opportunity between March and October 2025, when the present Liquidator was appointed, to file a reply. No explanation has been given for this inaction, and the subsequent change of Liquidator is, in its submission, not sufficient cause.

26. The Applicant admits the matters of record, including the CIRP and liquidation chronology. It reiterates that it acknowledged the delay in filing its claim, that the delay was due to non-receipt of financial documents, pandemic-related issues and lack of response from the CD, and that it followed up diligently by emails on 11.07.2022, 10.01.2024, 12.05.2024 and 19.09.2024. It denies that the CD completed the work within the contractual period or that the Applicant received and acknowledged it, and denies that the CD was not in default. It reiterates that the contract was terminated on 23.04.2019 under Clause 41(a), (b) and (c) of the GCC, owing to the CD's non-performance and delay. It states that the termination notice dated 23.04.2019 was issued, that the Respondent's objection that the mode of communication is unknown is misconceived, and that the Applicant issued the necessary communications under the contract before terminating it and completing the balance works at the CD's risk and cost.

27. The Applicant submits that the *Meja Urja Nigam* decision is irrelevant because the claim there was actually rejected by the Liquidator after performing his statutory duties, whereas here the challenge is to the Liquidator's failure to decide the claim at all and to give reasons. It submits that the Liquidator performs a quasi-judicial function, must admit or reject a claim on the documents, and must communicate his decision in writing under Regulations 30 and 31 of the Liquidation Regulations. No such communication has been issued by the erstwhile

Liquidator or the present Liquidator, and this amounts to non-compliance with Section 40 of the Code.

28. On delay, the Applicant reiterates that a creditor may prove its debt at any time before the final distribution of assets and that, as the liquidation has not been finalised, no prejudice will be caused if its claim is adjudicated. It submits that the Liquidator cannot reject the claim summarily solely on the ground of delay, particularly as the claim relates to a liability of the CD that existed before liquidation, and that the allegation that it has sought to hide behind Covid is false. It submits that the maxim *vigilantibus non dormientibus jura subveniunt* is misplaced, as the Applicant followed up diligently and it is the Liquidator who failed in his statutory duty.

29. On the merits, the Applicant submits that the claim arises from the CD's contractual breaches and was quantified in accordance with the contract, including the cost of completing the remaining works through third parties at the CD's risk and cost. It denies that the claim is contingent, uncrystallised or assumptive, and states that Form C was filed with the relevant particulars. It submits that arbitration was not required because the claim has been filed in the liquidation proceedings under the Code. It further submits that the Section 14 contention is misconceived, and that the termination was effected in accordance with the contractual terms and the circumstances then prevailing, so the allegation that it is void and non est is baseless.

30. The Applicant maintains that, in any event, the Liquidator was bound to examine the claim and communicate his decision in writing, and that its cause of action arose from his failure to do so despite repeated reminders. It submits that the Application is bona fide and in the interest of justice, that it will otherwise suffer grave prejudice and irreparable loss, and prays that the Application be allowed.

Findings & Decisions

31. We have heard the Ld. Counsel for the Applicant and the Ld. Counsel for the Respondent and perused the documents placed on record.

32. This Tribunal passed the liquidation order on 26.07.2019, read with the corrigendum order dated 31.07.2019. Pursuant thereto, a public announcement was issued on 31.07.2019, specifying 25.08.2019 as the last date for submission of claims, being thirty days from the liquidation commencement date. The Applicant submitted its claim in Form C for an amount of Rs. 120.23 crores on 06.10.2020, with a delay of 408 days, which is acknowledged by the Applicant. The Respondent has also acknowledged receipt of the claim by the erstwhile Liquidator.

33. On perusal of Section 38 of the Code, read with Regulations 12(2)(b) and 16(1) of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016, governs the submission of claims during liquidation. While these provisions prescribe the procedure and timeline for submission of claims, the Liquidation Regulations do not expressly provide for condonation of delay beyond the prescribed period or confer any such power upon the Liquidator. Accordingly, the Liquidator, acting in an administrative capacity, cannot independently condone the delay in submission of a claim.

34. The question that therefore arises is whether this Tribunal, in exercise of its appellate jurisdiction under Section 42 of the Code, can condone the delay upon being satisfied that sufficient cause has been shown and direct the Liquidator to consider the claim in accordance with law. In this regard, reliance has been placed on the decision in Sh. *Virender Singh v. Theme Export Pvt. Ltd*[16]., wherein the delay in submission of a claim before the Liquidator was condoned upon sufficient cause being established.

[16] Sh. Virender Singh v. Theme Export Pvt. Ltd., (2022) ibclaw.in 1119 NCLAT

35. In the present case, the Applicant submitted its claim in Form C on 06.10.2020, after a delay of 408 days. The Applicant has attributed the delay in submission of the claim to non-availability of the requisite financial documents, difficulties arising on account of the COVID-19 pandemic, and the absence of any response from the Corporate Debtor. The Respondent's principal contention is that, having been submitted 408 days beyond the prescribed date, the claim could not be entertained. It is further contended that the COVID-19 pandemic cannot justify the delay, since the prescribed last date for submission of claims, i.e., 25.08.2019, had already expired before the onset of the pandemic in March 2020.

36. We have considered the rival submissions and the explanation furnished by the Applicant. We find that the Applicant submitted its claim on 06.10.2020 and thereafter pursued its consideration through repeated communications dated 07.10.2020, 11.07.2022, 10.01.2024, 12.05.2024 and 19.09.2024. The receipt of the claim by the erstwhile Liquidator is undisputed. However, no decision accepting or rejecting the claim was communicated to the Applicant. Having received the claim, the Liquidator was required to undertake its verification in accordance with the provisions of the Code. The Applicant cannot be left indefinitely uncertain about the status of its claim on account of the Liquidator's failure to communicate a decision.

37. Upon consideration of the explanation furnished by the Applicant, we are satisfied that, although the reasons stated may not individually account for the entire period of delay of 408 days, they cannot be viewed in isolation. The difficulties in procuring the requisite financial documents, the subsequent submission of the claim on 06.10.2020 and the Applicant's subsequent efforts to pursue its consideration. Having regard to the facts and circumstances of the case, we are satisfied that sufficient cause has been shown to condone the delay of 408 days.

38. We further note that Section 42 of the Code provides for an appeal against a decision of the Liquidator accepting or rejecting a claim within fourteen days of receipt of such decision. In the present case, no such decision was communicated to the Applicant. Consequently, the question of the statutory period for filing an appeal commencing does not arise.

39. We also take note of the fact that the liquidation proceedings are still pending and no final distribution of the liquidation proceeds has taken place. Therefore, consideration of the Applicant's claim at this stage would not disturb any distribution already made or, in the present circumstances, prejudice the interests of other stakeholders. In any event, the claim shall remain subject to independent verification by the Liquidator in accordance with law.

40. In view of the foregoing facts and circumstances, we condone the delay of 408 days in submission of the Applicant's claim. The Applicant shall furnish the requisite supporting documents to the Respondent within fifteen days from the date of this Order. Upon receipt of the documents, the Respondent shall verify the claim and communicate a reasoned decision thereon within thirty days, in accordance with the provisions of the Code and the Liquidation Regulations.

41. It is clarified that this Order does not amount to an adjudication on the validity or admissibility of the claim itself, which shall be considered afresh by the Liquidator independently, without being influenced by this Order.

This application is partly allowed and disposed of.

Sd/-

SANJAY PURI
MEMBER (TECHNICAL)

Sd/-

RAJEEV BHARDWAJ
MEMBER (JUDICIAL)