

Restructuring & Insolvency

Monthly Newsletter

October 2025

TABLE OF CONTENTS

STATUTORY UPDATES

- Insolvency and Bankruptcy Board of India (Liquidation Process) (Second Amendment) Regulations, 2025 dated October 14, 2025
- Insolvency and Bankruptcy Board of India (Corporate Insolvency Resolution Process) (Sixth Amendment) Regulations, 2025 dated October 14, 2025
- Discussion Paper dated August 06, 2025, titled "Measures to enhance integrity of the Corporate Insolvency Resolution Process"
- The Insolvency and Bankruptcy Code (Amendment) Bill, 2025 (As introduced in Lok Sabha)

RECENT JUDGMENTS

- Myotic Trading Pvt. Ltd. Vs. Deepak Maini & Ors. – NCLAT, New Delhi
- Ram Kishore Arora Vs. Bank of Maharashtra & Ors. – NCLAT, New Delhi
- Saariga Construction Pvt. Ltd. Vs. Arvind Kumar & Anr – NCLAT, New Delhi
- Cosmos Co-operative Bank Vs. CS Anaghaanasingaraju – NCLAT, New Delhi
- Mansi Brar Fernandes Vs. Shubha Sharma & Anr. – Supreme Court
- Mrs. Shailja Krishna Vs. Satori Global Limited & Ors. – Supreme Court

RECENT DEALS

- Resolution of Envirant Developers Pvt. Ltd.
- Resolution of Darshan Developers Pvt. Ltd.
- Resolution of Nadhi Bio Products Pvt. Ltd.

COMPANIES ADMITTED TO INSOLVENCY & LIQUIDATION IN THE MONTH OF AUGUST 2025



STATUTORY UPDATES

Insolvency and Bankruptcy Board of India (Liquidation Process) (Second Amendment) Regulations, 2025 dated October 14, 2025

- The Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016 (Liquidation Process Regulations) has been amended to omit the provisions relating to sale of the Corporate Debtor as a going concern.
- This amendment has been brought in to streamline the liquidation process, reduce delays and cost escalation. By way of this amendment, IBBI aims to align the provisions with the scheme of the IBC i.e. to attempt resolution by way of a Corporate Insolvency Resolution Process (CIRP) and in the event no resolution is achieved, move to liquidation for dissolution of the Corporate Debtor.
- Accordingly, Regulation 32A providing for sale of the Corporate Debtor as a going concern, has been omitted.
- Consequently, Regulation 31A(1)(f), which allowed the Stakeholder's Consultation Committee (SCC) to advise the Liquidator on matters related to a review of marketing strategy in case of failure of sale of Corporate Debtor as a going concern and Regulation 32 (e) and (f), also relating to sale of Corporate Debtor as a going concern, have been deleted.

Insolvency and Bankruptcy Board of India (Corporate Insolvency Resolution Process) (Sixth Amendment) Regulations, 2025 dated October 14, 2025

- As stated above, IBBI has amended the Liquidation Process Regulations, in order to do away with the concept of sale of the Corporate Debtor as a going concern during liquidation process.
- Simultaneously, IBBI has made the following necessary amendments in Insolvency and Bankruptcy Board of India (Corporate Insolvency Resolution Process) Regulations, 2016 (CIRP Regulations), in order to streamline the processes under the IBC.
- Regulation 39C of the CIRP Regulations relating to assessment of sale as a going concern has been omitted. Further, necessary amendments have also been made Regulation 39D relating to fee of the liquidator and in Form H in the option relating to recommendation by the Committee of Creditors (CoC) for sale of the Corporate Debtor as a going concern, to omit the provisions relating to sale of the Corporate Debtor as a going concern.

Discussion Paper dated August 06, 2025, titled "Measures to enhance integrity of the Corporate Insolvency Resolution Process"

- Express duty of Committee of Creditors to deliberate on eligibility of Resolution Applicant (RA) under Section 29A of the Insolvency and Bankruptcy code, 2016
 - The IBC and the IBBI (Corporate Insolvency Resolution Process) Regulations, 2016 (CIRP Regulations) cast a duty on the Resolution Professional (RP) to ensure eligibility of a RA under Section 29A of the IBC. While the IBC impliedly also cast duty on the CoC to deliberate on Section 29A, it does not expressly warrants the CoC to ensure the same.
 - In order to secure transparency and reduce unwarranted litigations, the IBBI has proposed to expressly cast a duty on the CoC, to formally discuss the eligibility of RA under Section 29A of the IBC, the due diligence report obtained by the RP and record the same in the minutes, ensuring consistency with the spirit of the IBC.
- Enhanced disclosures in a Resolution Plan to ensure a clean slate resolution
 - Section 32 of the IBC grants immunity to the Corporate Debtor for offences committed prior to commencement of CIRP provided, the approval of resolution plan results in change of management. The practical usage of this immunity, however, is challenging due to complex and multilayered ownership structures in the resolution plan. The potential beneficiaries of Section 32A remains unidentified and the benefit of Section 32A becomes difficult to avail.
 - In order to practically implement Section 32A of the IBC, the IBBI has proposed to mandatorily require disclosure in a resolution plan regarding beneficial ownership of the resolution applicant, which will enable the RP and the CoC to establish identity of such potential beneficiaries. This disclosure will require the RA to submit a statement of ownership, in a given format, including details of all natural persons who own or controls the RA. This disclosure will further require the RA to submit an affidavit declaring eligibility under Section 32A of the IBC.
 - By way of this amendment, the IBBI aims to ensure transparency in the decision making and prevent potential misuse.
- Digitalisation of the process for invitation and submission of Resolution Plans
 - The IBBI proposes to mandate the conduct of the process of inviting and submitting a resolution plan exclusively through electronic means by way of a specified platform. This will ensure confidentiality of sensitive information and prevents any undue advantage.

The Insolvency and Bankruptcy Code (Amendment) Bill, 2025 (As introduced in Lok Sabha)

- The Insolvency and Bankruptcy Code (Amendment) Bill, 2025 proposes to introduce the certain amendments in the IBC with the aim to reduce delays, maximise value for all and achieve the objectives of the IBC. The key amendments proposed by way of this Bill are as under:
 - Security interest under the IBC

The Bill clarifies that Security interest shall exist only if the same has been created by virtue of an agreement between the parties and will not include a security interest created by operation of any law for the time being in force.
 - Avoidance Transaction and Fraudulent Transaction

The Bill defines an Avoidance Transaction as a transaction referred to in Sections 43, 45, 49 and 50 and a Fraudulent Transaction or wrongful trading as the one referred in Section 66 of the IBC.

The Bill also proposes that the look – back period for avoidance transactions shall start from the initiation date i.e. the date of filing of the application and not the insolvency commencement date.
 - Admission of a Petition under Section 7

The Bill mandates admission of a Company Petition once the default is established and the other criteria under Section 7 are met. It specifically clarifies that the Adjudicating Authority shall not reject the Petition on any other ground. It further clarifies that production of record of default from Information Utility shall be considered sufficient for the purposes of existence of a default.
 - Admission of Petition under Section 10

The Bill proposes that a Corporate Debtor seeking initiation of CIRP against itself will not be required to nominate an IRP. Instead, the Adjudicating Authority shall seek recommendation from the IBBI, in case such petition is admitted.

- Withdrawal of CIRP under Section 12A and voluntary liquidation processes

This bill clears the air around the timeline for withdrawal of a CIRP and proposes that no withdrawal will take place before constitution of CoC and after the first invitation for Resolution Plans of the Corporate Debtor.

This Bill also inserts provision for withdrawal of voluntary liquidation process by a special resolution of the shareholders and if required, a resolution of creditors of 2/3rd in value.

- Transfer of assets of a guarantor for the Corporate debtor

The proposed Bill allows for transfer of assets of a guarantor in the CIRP pool when a creditor has a security interest over the asset of the guarantor and when such creditor has taken possession of the asset by enforcing its security interest.

- Resolution Plan

The Bill proposes that a Dissenting Financial Creditor shall be paid the amount (i) that would have been paid in the event of liquidation under Section 53 or (ii) if the amount is distributed under the resolution plan in the order of priority as per Section 53, whichever is lower.

The Bill further proposes that a Resolution Plan should mandatorily provide for a monitoring committee to oversee the implementation of a Resolution Plan.

The Bill also proposes that an Adjudicating Authority may, on confirming the requirements under Section 30, first approve implementation of the resolution plan and then, by a separate order, approve the manner of distribution of a resolution plan, within a period of 30 days.

The Adjudicating Authority may also provide a period of 14 days to the CoC to rectify the defect in a resolution plan before rejecting it.

The Bill also amends the requirement for obtaining approval of CCI, where needed, before approval of plan by CoC and instead, required such approval to be taken prior to submissions of plan to the Adjudicating Authority.

The Bill also inserts the clean slate theory in the provisions and specifically provides that on approval of a Resolution Plan, the claims prior to approval of the plan stands extinguished.

- Restoration of CIRP

The amendment Bill proposes that in the event where no Resolution Plan has been approved or where a Resolution Plan has been rejected, the Adjudicating Authority may, on approval of 66% of the CoC, before passing an order of liquidation, restore the CIRP, which is to be concluded within a period of 120 days.

- Liquidation process

The Bill proposes to omit the requirement of invitation and verification of claims by Liquidator and instead, proposes to simply update the claims verified by the RP.

The Bill also proposes that the CoC constituted under Section 21 will supervise the Liquidation process as it does during the CIRP period. The Bill specifies that the provisions of Sections 21 and 24 shall also apply to liquidation processes.

The Bill further adds that while other classes of creditors may attend these meetings (as the present provisions require all stakeholders to attend the SCC), they shall not have any right to vote in such meetings.

Further, any creditor intending to realise its security interest must inform the same to the Liquidator within 14 days, failing which, the security shall be deemed to be relinquished.

- Distribution waterfall under Section 53

Section 53(2) of the IBC stipulates that any contractual arrangements amongst the creditors, if disrupting the order of priority under Section 53(1) of the IBC, shall be disregarded. However, this provision did not specifically clarify whether such prohibition would also extend to *inter-se* arrangements between similarly placed class of creditors where the parties have agreed that one of the creditors enjoys a superior security/priority over the other creditor.

The proposed amendment, by way of illustration, clarifies that the prohibition under Section 53(2) of the IBC does not extend to inter-creditor/ subordination agreements entered into between the same class of creditors.

- Insertion of Creditor initiated Insolvency Resolution Process (CLRP)

The Bill proposes initiation of CLRP by a notified class of Financial Creditors for a notified class of Corporate Debtors. For such initiation, the Financial Creditor will require approval of 51% of the total debt due to such notified class of Financial Creditors.

The Financial Creditor is required to state its intent to initiate the process to the Corporate Debtor, who shall either make the payment of issue representation within 30 days of such intimation by the Financial Creditor. After consideration of the representation, once the

Financial Creditor decides to pursue the initiation of CLRP, it shall against seek approval of 51% of the notified class of Financial Creditors.

The Financial Creditor may then appoint an RP and a process similar to CIRP shall continue without any order from the Adjudicating Authority. During this process, the management of the Corporate Debtor continues to be with the board of the Corporate Debtor. However, the RP attends all the meeting and participates in the conduct of the business of the Corporate Debtor.

In a CLRP, the RP can apply to the Adjudicating Authority for imposition of Moratorium similar to a CIRP.

The Bill suggests that a CLRP can be converted to a CIRP when (i) No resolution plan is received or is received but rejected; (ii) the personnels of the Corporate Debtor do not co-operate with the RP; (iii) the CoC decides to convert CLRP to CIRP and seek an order from the Adjudicating Authority.

The remaining provisions in CIRP relating to CoC constitution, contents and approval of resolution plans, eligibility of resolution applicants, enforcement over guarantor assets, extinguishment of past liabilities and prior offences, apply to the CLRP as well.

The Bill proposes that this process must be completed within 150 days which is extendable up to 45 days.

- Group Insolvency

This Bill seeks to insert new chapter for Group Insolvency of Corporate Debtors who form part of Group, to enable better co-ordination and maximisation of value of these Corporate Debtors.

- Other proposals under the Bill

The Bill seeks to omit the fast track CIRP.

The Bill also mandates stringent timelines for passing of orders by the Adjudicating Authority.

The Bill proposes to do away with the imposition of interim moratorium on filing of an application for personal insolvency.

The Bill proposes for setting up of an electronic portal for carrying out all the processes under the IBC.



RECENT JUDGMENTS

Myotic Trading Pvt. Ltd. Vs. Deepak Maini & Ors. – NCLAT, New Delhi

Judgment dated July 25, 2025 [Company Appeal (AT)(INS) Nos. 859 and 877 of 2025]

Background facts

- These Appeals have been filed by Myotic Trading Pvt Ltd, a prospective resolution applicant (PRA) in the CIRP of Amzen Transportation Industries Ltd (CD), challenging the rejection of its applications filed before the NCLT, (i) seeking replacement of the RP, reconstitution of the CoC, setting aside of RFRP and IM and investigation on the findings by ED in a provisional attachment order; (ii) challenging eligibility of another PRA, Cosmic CRF Ltd. (Cosmic CRF).
- Briefly, CIRP in respect of the CD was initiated on May 04, 2022. Pursuant to publication of Form G dated April 20, 2024 requiring the PRAs to have a minimum tangible net worth of INR 100 Crores, the Appellant in consortium with Fortune Global Solutions Pte Ltd (Fortune) submitted its resolution plan. One Cosmic CRF also submitted its resolution plan for the CD.
- The RP conducted the challenge mechanism process. During the pendency of the challenge mechanism, the RP received a letter from a whistle blower alleging that Cosmic CRF is not eligible to submit a plan for the CD.
- After due consideration of the report on eligibility of Cosmic CRF under Section 29A, the CoC decided that Cosmic CRF is ineligible and consequently, the RP declared Appellant as the winner of the challenge mechanism process.
- This decision was challenged by Cosmic CRF and as a result, the NCLT remanded the issue relating to the ineligibility of Cosmic CRF back to the CoC.
- Consequently, another Report on eligibility of Cosmic CRF as well as a legal opinion was obtained by the CoC and Cosmic CRF was declared as an eligible PRA.
- In the meanwhile, Fortune withdrew from the consortium with the Appellant.
- The Appellant, without Fortune, continued in the process and filed an application challenging the eligibility of Cosmic CRF as well as filed another application seeking replacement of RP, setting aside of RFRP, IM, etc.
- Submissions of the Appellant
 - Despite Fortune's withdrawal, the Appellant holding the POA being the lead member of the consortium, is eligible to file the Application.
 - Cosmic CRF is 29A ineligible.
 - NCLT has wide jurisdiction to entertain all applications relating to the CIRP of CD.
 - The RP failed to disclose ongoing proceedings and the attachment by the ED in the IM.

▪ Submissions of the Respondents

- The Appellant, on withdrawal of Fortune, is no longer a consortium and is therefore not a PRA. In fact, the net worth of the Appellant falls short of the requirement of INR 100 Crores.
- Cosmic CRF is eligible as per the report and opinion obtained by the RP.

Issues at hand

- Whether on withdrawal by a consortium member, the other can continue to participate in the CIRP or substitute one member with another?
- Whether the CoC in its commercial wisdom, can decide on eligibility of PRA under Section 29A?

The decision of the Tribunal

- The NCLAT, while partly allowing both the Appeals filed by the Appellant observed as under:
 - The NCLT has rightly observed that the Appellant is ineligible to be considered as a PRA on account of withdrawal by its consortium Member, Fortune. The list of PRAs listed out the Consortium as a PRA and not the Appellant in its individual capacity. In fact, the Appellant did not meet the basic requirement of net worth of INR 100 Crores and therefore, was ineligible to be a PRA. Further, the RFRP issued by the RP did not provide for substitution of a consortium member mid- way into the process and therefore, the Appellant was declared ineligible to be a PRA himself. The NCLT therefore held that the Appellant had not locus to challenge the eligibility of Cosmic CRF.
 - The NCLAT however observed that Cosmic CRF was also ineligible as report by experts. The CoC could not have ignored the reports citing ineligibility of Cosmic CRF and solely relied on a legal opinion obtained in the matter.
 - The NCLAT also pointed out that there have been serious lapses in the CIRP, for one, the RP failed to mention about the ongoing investigations against the CIRP and hence, directed for publication of Fresh Form G.

HSA **Viewpoint**

The Judgment emphasises on the need of exercising commercial wisdom in a judicious and reasoned manner, keeping in mind the objectives and spirit of IBC.

Ram Kishore Arora Vs. Bank of Maharashtra & Ors. – NCLAT, New Delhi

Judgement dated August 13, 2025 [Company Appeal (AT)(INS) No. 1203 of 2024]

Background facts

- This Appeal has been filed by the suspended director of Supertech Realtors Pvt Ltd. (CD), challenging the initiation of CIRP.
- Briefly, the CD availed financial facilities from a consortium of Banks led by Union Bank of India. The consortium also included Bank of Maharashtra (BOM) from whom, a loan facility to the tune of INR 150 Crores was availed. The CD defaulted on meeting its repayment obligations.
- Consequently, BOM filed a petition under Section 7 of the IBC. During the pendency of this petition, the CD prosed settlement and an OTS was executed. However, the CD failed to oblige by the terms of the settlement and the settlement failed. Accordingly, the petition under Section 7 was admitted by the NCLT on account of Debt and Default.
- The Appellant did not raise any dispute regarding the debt and default. The Appellant however, brought in an investor and proposed to complete the project and settle the debt of the creditors.
- The Settlement proposal was rejected by the financial creditors. While some homebuyers were in support of completion of the project through the investors, the other proposed continuance of CIRP.
- Relying on the judgments passed in *Flat Buyers Association Winter Hills – 77, Gurgaon vs. Umang Realtech Pvt. Ltd.* [2020 SCC OnLine NCLAT 1199] and in Company Appeal (AT) (Ins.) No.406 of 2022, *Ram Kishor Arora Suspended Director of M/s Supertech Ltd. vs. Union Bank of India & Anr.*, the Appellant submitted that the case at hand being a real estate project which is nearly 75% complete, a reverse CIRP method should be adopted and the Appellant be allowed to complete the project with the support of investor.
- The financial creditors however, requested that the CIRP be continued as the Appellant cannot be allowed to bring in its own resolution applicant to complete the project. In fact, a CIRP will ensue value maximisation and give a fair chance to other PRAs.

Issue at hand

- Whether a reverse CIRP ought to be commenced in view of the Appellant proposing an investor for completion of the Project?

The decision of the Tribunal

- The NCLAT rejected the submissions made by the Appellant and upheld the order passed by the NCLT initiating CIRP in respect of the CD.
- Referring to the judgments passed in the reverse CIRP cases including in *Umang Realtech* and *Supertech Ltd.*, the NCLAT observed that although reverse CIRP is an accepted mechanism for resolution of a real estate company, the said mechanism needs to be followed in the facts of each case on satisfaction of various preconditions. While in the cited cases, all the parties were on one side, the present is a case where different views have been endorsed by different parties.
- The NCLAT observed that IBC is a complete code in itself and provided for resolution mechanism for a CD including a CD which is a real estate company. The process envisages for inviting EOIs from PRAs who then submit their resolution plans for the CD. Inviting resolution applicants will give a fair opportunity to other PRAs, who may complete the project offering better terms and conditions.
- The NCLAT further observed that the fact that the Appellant had been repeatedly giving OTS proposals clearly proves debt and default on the part of the CD. Hence, the debt and default having been proved, the Adjudicating Authority was entitled to pass the order for admission of Section 7 application.

HSA

Viewpoint

This judgment upholds the sanctity of institution of IBC and ensures checks and balances on the back door entry by the suspended management of the CD.

Saariga Construction Pvt. Ltd. v Arvind Kumar & Anr. – NCLAT, New Delhi

Judgment dated August 11, 2025 [Company Appeal (AT)(INS) No. 887 - 888 of 2025]

Background facts

- These Appeals have been preferred by a Financial Creditor of Richa Industries Ltd., who submitted a resolution plan for the Corporate Debtor herein (CD), challenging the orders passed by the NCLT, (i) rejecting the application filed by Appellant challenging rejection of its plan and (ii) allowing the application for liquidation of the Corporate Debtor.
- Pursuant to the process under the IBC, the resolution plan submitted by the Appellant was put to vote. While 52.02 % of the CoC voted in favour of the resolution plan, 0.08% voted against the resolution plan and 47.90% of the CoC abstained from voting on the resolution plan. Since the required percentage of creditors did not vote in favour of the resolution plan, the resolution plan submitted by the Appellant was rejected.
- It is the submission of the Appellant that the voting should have been calculated on the basis of members 'present and voting'. On correct calculation, the resolution plan submitted by he Appellant stood approved by the CoC. The Appellant argued that the members of CoC are required to consider its feasibility and viability while voting, which can only be done by the members present. Placing reliance on *Tata Steel Limited vs. Liberty House Group- Company Appeal (AT) (Insolvency) No.198 of 2018*, the Appellant argued that the creditors those.

The Issue at hand

- Whether TDS constitutes default under the IBC?
- Whether the Application was hit by Section 10A of the IBC?

The Decision of the Tribunal

- The NCLAT upheld the decision of the NCLT, rejecting the Section 9 Petition filed by the Appellant being barred under Section 10A of the IBC.
- The NCLAT observed that the fundamental characteristic of an Operational Debt is that it arises from a transaction related to the operations of the Corporate Debtor, typically involving the supply of goods or services. Since non – remittance of TDS by a Corporate Debtor is principally a matter between the Corporate Debtor and the tax authorities, the failure of Corporate Debtor to pay the TDS amount does not constitute sufficient reason to admit this Section 9 Petition. The NCLAT noted that the Income Tax Act, 1961, provides specific legal remedies to address instances of non-remittance of TDS, which are to be pursued by the income tax authorities. Therefore, non – remittance of TDS alone in the present Petition cannot constitute default on the part of the Corporate Debtor towards the Appellant.
- The NCLAT further observed that both, the running a/c bills and the fixed invoice bills falls under the definition of Operational Debt. Hence, even if a part payment has been made, CIRP can still be initiated if the remaining unpaid amount meets or exceeds the threshold of Rs. 1 Crore. It is therefore crucial to determine the date of default keeping in mind both kinds of bills and their repayments.

- Taking note of the provisions made in the MOU between the Corporate Debtor and the Appellant, the NCLAT observed that the contract of the work was at a pre-determined price and the bills being raised every month based on the work executed by the Appellant were in nature of the running a/c bills.
- Taking note of the above, the NCLAT held that since the final figure payable by the Corporate Debtor to the Appellant pertained to the two bills raised during the 10A period, the NCLAT has rightly rejected the petition filed by the Appellant as it is barred by Section 10A of the IBC. Accordingly, the NCLAT dismissed the Appeal.

Cosmos Co-operative Bank Vs. CS Anaghaanasingaraju – NCLAT, New Delhi

Judgment dated July 08, 2025 [Company Appeal (AT)(INS) No. 67 of 2025]

Background facts

- This Appeal has been preferred by secured creditor of the Corporate Debtor against an order passed by the NCLT directing the secured creditor, who has realised its security interest under the SARFAESI Act, 2002 (SARFAESI), to make contributions to workmen dues and liquidation cost of the Corporate Debtor.
- Briefly, the immovable property of the Corporate Debtor was mortgaged in favour of the Appellant, as a guarantor to two borrower companies. The Appellant issued notice under Section 13(2) of the SARFAESI calling upon the borrower as well as the Corporate Debtor to repay the amounts due. On failure, the Appellant took symbolic possession of the mortgaged property under Section 13(4).
- Later, CIRP proceedings came to be initiated in respect of the Corporate Debtor on March 12, 2018, which later culminated into initiation of Liquidation proceedings on August 09, 2018.
- The Appellant filed its claim with the Liquidator and intimated the Liquidator that it shall realise its security interest in terms of Section 52(1) of the IBC.
- In January, 2023, the asset of the Corporate Debtor stood realised by the Appellant and sale certificate was also issued.
- The Liquidator then filed an application before the NCLT seeking contribution from secured creditors including the Appellant who had chosen to exercise their rights to realise the secured interest, which was allowed by the NCLT by way of the impugned order in this Appeal.

Submission by Appellant

- Regulation 21A of the Liquidation Regulations which entitles a liquidator to receive cost of liquidation from secured creditors who have realised their security interest outside the liquidation, is not applicable as the liquidation of Corporate Debtor commenced prior to insertion of this Regulation.
- Section 13(9) of SARFAESI and provisions of Companies Act, 1956 and Companies Act, 2013, will have no application in the present proceedings under the IBC.
- Section 326 of the Companies Act, 2013 which is pari materia to Section 529A of Companies Act, 1956 is explicitly made inapplicable to liquidation proceedings under IBC in terms of Section 327(7) of Companies Act, 2013.

Submissions by the Respondent

- The Liquidator supported the impugned order passed by the NCLT submitting the Appellant secured creditor is liable to make contributions towards liquidation cost and workmen dues.

The Issue at hand

- Whether secured creditors, having realised their security interest under the SARFAESI, are liable to make contributions towards Liquidation Cost as well as Workmen Dues?

The Decision of the Tribunal

- The NCLAT partly allowed the Appeal to hold that while the Appellant is obligated to make contribution towards workmen dues, they are not obligated to pay the liquidation cost, as directed by the NCLT.
- The NCLAT observed that the Liquidation proceedings in respect of the Corporate Debtor having commenced prior to insertion of Regulation 21A of the Liquidation Regulations, the said Regulation cannot be said to be applicable.
- The NCLAT observed that Section 52(8) of the IBC refers to insolvency resolution process cost due from secured creditors who realised their security interest. Further, Section 5(13) of the IBC

defines insolvency resolution process cost. The NCLAT noted that the definition of insolvency resolution process costs do not include liquidation cost and hence observed that the Liquidation Cost cannot be levied on the Appellant.

- In so far as payment towards workmen dues is concerned, the NCLAT observed that since the Appellant has realised its security interest under the SARFAESI, the provisions of SARFAESI will be applicable on such transaction. The proviso to Section 13(9) of SARFAESI mandates the secured creditor to deposit the workmen dues with the Liquidator.
- The NCLAT also observed that there is no conflict between the provisions of Section 13(9) of the SARFAESI Act, 2002 and the IBC and therefore, the phrase “subject to provision of Insolvency and Bankruptcy Code, 2016” in Section 13(9) of the IBC cannot make provision of SARFAESI subject to the provisions of IBC.
- While noting the statutory scheme as delineated by Section 13(9), the NCLAT observed that the proviso to Section 13(9) clearly indicates that amount realised from the sale of secured assets are to be distributed as per the Companies Act 1956. The Companies Act 1956, having been repealed and Companies Act, 2013 having been enforced, the distribution contemplated has to be under the Companies Act, 2013. Accordingly, the NCLAT held that a Secured creditor is liable to pay workmen’s dues as per the statutory scheme under Section 13(9) of the SARFAESI Act, 2002.

HSA **Viewpoint**

This judgment reinforces the long-standing principles of Liquidation and obligation of a secured creditor to contribute towards the workmen dues during liquidation proceedings.

Mansi Brar Fernandes Vs. Shubha Sharma & Anr. – Supreme Court

Judgment dated September 12, 2025 [Civil Appeal No. 3826 of 2020 and other connect Appeals]

Background facts

- These appeals have been filed by the Appellants challenging the Orders dated November 17, 2020 and August 12, 2021 passed by the NCLAT, New Delhi reversing the CIRP admission order holding that the Appellant was a speculative investor and not a genuine homebuyer. The directors of the Corporate Debtor have also filed cross appeals challenging the Order dated November 17, 2020 on the limited ground of non – applicability of the Ordinance/ Amendment Act to the facts of the present case.
- Briefly, the Appellants entered into a Memorandum of Understanding (MOU) with the Corporate Debtor which had a buy back clause exercisable solely at the discretion of the Corporate Debtor. A sum of INR 35 Lakhs was paid as part consideration. In the event the buy back option was not exercised by the Corporate Debtor, the appellant was entitled to receive possession of the flats without payment of any additional amount. Additionally, post-dated cheques worth INR 1 Crore were handed over by the Corporate Debtor to these Appellant.
- Later, the Corporate Debtor failed to deliver the flats, make the payment and the post-dated cheques were also dishonoured. Therefore, the Appellant filed an application under Section 7 of the IBC. While the NCLT admitted the petition, the NCLAT set aside the CIRP admission order. Hence, the Appellants filed the present Appeal.
- The suspended board of directors argued that in view of non – compliance with the Insolvency and Bankruptcy Code (Amendment) Ordinance, 2019, promulgated on 28.12.2019, the Impugned Order should be set aside.

Submission by Appellant

- The Appellants are genuine homebuyers and qualify as a financial creditor under Section 5 (8) (f) of the IBC.
- The MoU, which was commercially structured by the Corporate Debtor itself, contained a buy-back clause that was entirely at the option of the Corporate Debtor. It could either buy back the units after 12 months for Rs.1 crore or hand over possession of the flats to the appellant at no extra cost.
- The transaction is a financial debt, having the commercial effect of borrowing and carrying the element of time value of money, as recognized in the IBC.

Submissions by the Respondent

- The Respondents, on the other hand, argued that the Appellant is not a genuine homebuyer and the transaction in question was speculative in nature, structured to yield abnormal returns within short duration and reflects an investment for profit.
- In fact, the Appellant initiated proceedings under Section 138 of Negotiable Instruments Act, 1881 before coming to NCLT, showcasing its intention of recovery and not resolution.

The Issue at hand

- Whether the Appellant is a genuine homebuyer or is a speculative investor?
- Whether the Ordinance/ Amendment Act introducing threshold for filing of Section 7 petition was applicable to the facts of the present case?

The Decision of the Court

- The Supreme Court rejected the Appeals in so far as it challenged the rejection of Section 7 Petition, holding the Appellants to be speculative buyers.
- The Supreme Court observed that whether an allottee is a speculative buyer or not will depend on the facts of each case and will be guided by the following factors:
 - (i) the nature and terms of the contract;
 - (ii) the number of units purchased;
 - (iii) presence of assured returns or buyback clauses;
 - (iv) the stage of completion of the project at the time of investment; and
 - (v) existence of alternative arrangements in lieu of possession. Possession of a dwelling unit remains the sine qua non of a genuine homebuyer's intent.
- Taking guidance from the judgment passed by the Supreme Court in *Pioneer Urban Land and Infrastructure Ltd v. Union of India* [(2019) 8 SCC 416], the Bench observed that once a prima facie default is established under Section 7 of the Code, the burden shifts onto the developer to demonstrate that the applicant is a defaulter, or that the process has been invoked fraudulently, with malicious intent, or by a speculative investor.
- The Supreme Court noted that a Speculative investor is one seeking refund or profit without an intention to occupy. Delivery in such cases is more in the nature of a lien or an option. The Court further noted that where there is an actual chain of delivery ending with possession by a genuine buyer, the transaction is not speculative. For a genuine allottee, delivery and possession are sine qua non.
- The Supreme Court however clarified that the distinction between speculative investors and genuine homebuyers is relevant only at the stage of initiation of CIRP and such allottees are not barred from filing claims or from pursuing remedies in accordance with law.
- Applying the above to the facts of the present case, the Supreme Court observed that the Appellants never contemplated possession. In fact, the action to recover the value from post-dated cheques makes it clear that the Appellant's true interest lay in assured returns and not possession. The MoU was in substance a buyback contract, not an agreement to sell flats. Therefore, the Appellants were not genuine allottees but speculative investors.
- In so far as the applicability of Ordinance is concerned, the Supreme Court observed that the Ordinance was promulgated only after reserving of orders and therefore, could not have been complied with by the Appellant.
- In addition to the above question, the Bench emphasised that the Right to Shelter is an integral part of right to life under Article 21 of the Constitution of India and also highlighted the obligation of the state to create and strictly enforce a framework wherein no developer is permitted to defraud or exploit homebuyers.
- In exercise of its jurisdiction and to advance the constitutional objectives, the Supreme Court also issued certain directives to the concerned authorities, in the interest of homebuyers and the stability of the real estate sector, including:
 - (i) Filling of vacancies in NCLT/ NCLAT.
 - (ii) Services of retired judges may be utilized on ad hoc basis until regular appointments are made.
 - (iii) Robust infrastructural support.
 - (iv) Adequate staffing of RERA authorities.
 - (v) Establishing revival funds to provide bridge financing for stressed projects undergoing CIRP.
 - (vi) NCLTs must record a prima facie finding on whether the applicant is a genuine homebuyer or speculative investor.

HSA **Viewpoint**

This Judgment emphasises on granting protection to genuine homebuyers and also attempts at building a better, robust framework for real estate insolvencies.

Mrs. Shailja Krishna Vs. Satori Global Limited & Ors. – Supreme Court

2025 INSC 1065 : 2025 SCC OnLine SC 1889

Background facts

- The company initially incorporated as Sargam Exim Private Limited was primarily engaged in trading of paper and later was renamed as Satori Global Limited. The company was owned by Appellant, i.e. Mrs. Shailja Krishna and her husband Mr. Ved Kridhna. Through a series of transactions and share issuance, Mrs. Shailja Krishna owned 39,500 shares out of 40,000 equity shares, representing more than 98% of the Company's shareholding. Thus, making the Appellant the dominant shareholder in the company.
- In and around 2010-2011, two major events occurred, (i) Mrs. Krishna resigned from the company and transferred her entire shareholding in the company to her mother-in-law namely, Mrs. Manjula Jhunjhunwala vide gift deed and (ii) Initiation of divorce proceedings by Mr. Ved Krishna against the Appellant.
- Subsequently, in the said period with respect to the first event, Mrs. Krishna alleged that she was forced to sign the blank papers that were later converted into share transfer documents. She lodged police complaints and subsequently filed a company petition before the Company Law Board, which was later transferred to the NCLT.
- The NCLT reinstated the Appellant as Executive Director and affirmed her ownership of 39,500 equity shares. On appeal, the NCLAT set aside the order, holding that the petition was not maintainable for lack of jurisdiction. This led to a further appeal before the Supreme Court.

Issues at hand

- The Supreme Court had taken two Legal and two Factual issues at hand:
 - a) Whether the company petition, decided in favour of the Appellant by the NCLT, was maintainable under Sections 397 and 398 of the 1956 Act?
 - b) Assuming that the company petition was maintainable, whether the NCLT had jurisdiction to decide whether the gift deed is valid or not?
 - c) If the answer to the above question is in the affirmative, were the facts on record and the law such so as to support the finding of the NCLT that the gift deed is invalid?
 - d) Whether the Appellant was able to prove that she has been a victim of mismanagement and oppression by the Directors of the COMPANY?

Findings of the Court

- The case arose under Sections [397](#) and [398](#) of the Companies Act, 1956, which provided remedies against oppression and mismanagement of a company's affairs. These provisions now correspond to Sections 241 and 242 of the Companies Act, 2013. Section 241 deals with the company's conduct wherein it is alleged to be oppressive, prejudicial to public interest, or harmful to the company itself. Section 242 empowers the Tribunal to pass appropriate orders to resolve such grievances.
- Maintainability:

The Court dismissed the respondents' objection on [Section 399](#) of the Companies Act, 1956. Since the case majorly revolves around the alleged unlawful transfer the shareholding of Mrs. Krishna she could be barred from approaching the Tribunal.
- Jurisdiction of NCLT:

The Court observed that the NCLT/CLB has wide jurisdiction to decide all such matters which are incidental and/or integral to the allegation(s) of oppression and mismanagement. The Supreme Court relied on various precedent, and one such precedents was *Tata Consultancy Services Ltd. V. Cyrus Investments (P) Ltd.*¹, reiterated that the Tribunal must provide a solution to the problems, when the central issues involve oppression and mismanagement. Therefore, regarding the validity of the Gift Deed, the Supreme Court observed that the NCLT has full jurisdiction as it was necessary to determine whether the petitioners were unlawfully deprived of their ownership and control.
- Oppression and Mismanagement:

Having declared that Mrs. Krishna is the rightful owner of the 39,500 equity shares, the Supreme Court further observed that, the events in 2010 demonstrated that she was unlawfully deprived of her ownership in the company due to following reason:

 - The fraudulent execution of Gift Deed;

¹ (2021) 9 SCC 449

- The deceitful transfer of 39,500 shares;
- The board meeting held in *malafide* manner; and
- The conduct of the board meeting being against the statutory requirements of the 1956 Act.

■ Gift Deed, Share Transfer Forms and Board Meeting:

The Court upheld the decision of NCLT, due to following reasons:

- a) The Gift Deed is invalid as the same was against the Article of Associations, ("**AoA**"), specifically clause 16. The Court relied on the precedent, i.e. *V.B. Rangaraj v. V. B. Gopalakrishnan & Ors.*², wherein it clearly stated that any action taken which is not permitted by AoA cannot be sustained.
- b) With regards to the share transfer, the court observed that there was an overwriting on the share transfer documents and mismatch of dates, thus, to be set aside.
- c) With regards to the Board Meeting, the Court was of the view that it suffered from fundamental illegality and cannot be sustained in law. Reliance was placed on *Sri Parmeshwari Prasad Gupta v. Union of India*, [(1973) 2 SCC 543], is relevant to the case as it was held that absence of notice vitiates the entire proceedings of a board meeting.

HSA

Viewpoint

The Supreme Court allowed Mrs. Shailaja Krishna's appeal, reinstating the NCLT order that invalidated her gift deed and restored her shareholding and directorship, although it not being the Civil Court.

Crucially, this ruling in *Mrs. Shailja Krishna v. Satori Global Limited & Ors.* (2025 SCC OnLine SC 1889) reinforces the NCLT's authority to examine fraud manipulation coercion and deed – validity when central dispute relates to oppression and mismanagement cases.

The judgment affirms the NCLT's role as a comprehensive forum for internal corporate conflicts while maintaining the distinction between its jurisdiction and that of civil courts, to avoid fragments disputes between the Parties

² (1992) 1 SCC 160



RECENT DEALS

Resolution of Envirant Developers Pvt. Ltd.

- The NCLT, Mumbai bench (NCLT) vide Order dated June 25, 2025 approved the resolution plan submitted by the Mantra Properties & Developers Pvt. Ltd. (SRA), in the CIRP of Envirant Developers Pvt Ltd (Corporate Debtor).
- Pertinently, the Corporate debtor is a Company engaged in the real estate development and Construction business.
- In May, 2023, CIRP was initiated in respect of the Corporate Debtor pursuant to an application filed by Vistra ITCL (India) Limited, a financial creditor. Upon admission, Mr. Jayesh Sanghrajka was appointed as the Interim Resolution Professional (IRP) to oversee the CIRP.
- Subsequent thereto, a Public Announcement inviting claims from creditors was made by the IRP on May 21, 2023. Upon receipt of claims, the IRP constituted the CoC for the Corporate Debtor in June, 2023. Notably, the RP admitted claims amounting to INR 92.51 Crores for the Corporate Debtor. Later, the IRP was confirmed as the RP for the Corporate Debtor.
- Thereafter, the RP published Form G on July 14 2023, pursuant to which, he received seven Expression of Interests (EOIs) from Prospective Resolution Applicants (PRAs). However, only the following two PRAs submitted resolution plan for the Corporate Debtor, within the stipulated timeline.
 - (i) Mantra Properties & Developers Pvt Ltd; and
 - (ii) Ashdan Properties Pvt Ltd.
- After detailed discussions for viability and feasibility and negotiations with both the PRAs, the CoC of the Corporate Debtor unanimously approved the resolution plan submitted by Mantra Properties & Developers Pvt Ltd.
- In accordance with the provisions of the RFRP, the SRA submitted a Bank Guarantee (BG) of INR 5,00,00,000/- on February 02, 2024 as performance security and affirmed its eligibility under Section 29 A of the IBC, by way of an affidavit.
- The approved Resolution Plan proposes a total resolution amount of INR 70,04,55,434/-, as detailed hereinunder:
 - CIRP Cost to be paid in full and in priority and shall be paid from the accruals of the Corporate Debtor. In case of insufficiency, the plans also earmarks a sum of INR 1.10 Crores for CIRP Costs. The excess earmarked amount shall be for the benefit of the secured financial creditors.
 - The Secured Financial Creditors shall be paid a sum of INR 68.90 Crores as against their admitted claims of INR 92.52 Crores.
 - The Operational Creditors shall be paid 0.04 Crores, that is their total admitted claim.

- The resolution plan also states that the claim of Other Creditors shall be dealt with by reviving the Corporate Debtor and completing the obligation as per relevant Development Agreement without any penalty, interest, liquidated damages and its likes.
- The Resolution Plan also provides for constitution of monitoring committee (comprising of the RP, representative of the SRA as well as the CoC) for the period between the effective dated and the closing date, to oversee the implementation of the approved resolution plan. After the closing date, the management of the Corporate Debtor shall be handed off to the SRA, who shall constitute a new board, in accordance with Section 29A of the IBC.
- Notably, as per the valuation reports obtained by the RP, the Liquidation Value of the Corporate Debtor is 57.33 Crores and the Fair value of the Corporate Debtor is INR 73.76 Crores.
- Further, pursuant to the provisions of the IBC, the RP has reported that no avoidance transactions have been undertaken by the Corporate Debtor during the lookback period.
- The NCLT, after noting the compliance of the approved Resolution Plan under Sections 25(2)(h), 29A, 30(2), and 31 of the IBC, and Regulation 38 of the CIRP Regulations, approved the Resolution Plan for the Corporate Debtor.

Resolution of Darshan Developers Pvt. Ltd.

- The NCLT, Mumbai bench (NCLT) vide Order dated June 27, 2025 has approved the resolution plan submitted by the Shiv Infra Vision Properties Pvt. Ltd. (SRA), in the consolidated CIRP of Darshan Developers Pvt Ltd along with 10 other Corporate Debtors, interlinked and dependant on each other (Corporate Debtors).
- Pertinently, the Corporate debtor is a Company engaged in the real estate development and Construction business.
- In July, 2021, CIRP was initiated in respect of Darshan Developers Pvt. Ltd. pursuant to an application filed by Ultra Tech Cement Ltd., an operational creditor. Upon admission, Mr. Jayesh Sanghrajka was appointed as the Interim Resolution Professional (IRP). Later, the CoC comprising of sole financial creditor, Piramal Capital and Housing finance Pvt Ltd (PCHFL), consolidated CIRP was initiated in respect of the following Corporate Debtors:
 - Darshan Developers Pvt Ltd
 - Immediate Real Estate Pvt Ltd
 - Manpreet Developers Pvt Ltd
 - Wamika Real Estate Pvt Ltd
 - Prithvi Residency Pvt Ltd
 - Tenacity Real Estate Pvt Ltd
 - Ghardwar Real Estate Pvt Ltd
 - Fulgent Real Estate Pvt Ltd
 - Suvarat Real Estate Pvt Ltd
 - Azinova Constructions Pvt Ltd
 - Vyomakara Real Estate Pvt Ltd
- Mr. Jayesh Sanghrajka was appointed as the common RP for the consolidated Corporate Debtors. The Corporate Debtors have only one financial creditors, being PHFCL, and therefore, a common CoC was comprised for all Corporate Debtors.
- Pursuant thereto, the RP published Form G on June 09, 2023. The CoC decided to publish a modified Form G, which was published by the RP on July 12, 2023. Resultantly, the RP received 4 EOIs. However, no resolution plan was received for the Corporate Debtors. The CoC decided to publish fresh Form G, which was published on December 03, 2023. While the RP received EOIs from a few entities. On account of a few being after the stipulated timeline, the RP published a fresh Form G on the instructions of the CoC on June 06, 2024. Pursuant thereto, the RP received 4 EOIs. However, only two resolution plans were received, from the following entities:
 - (i) Shiv Infra Vision Properties Pvt Ltd
 - (ii) Authum Investment and Infrastructure Ltd
- After detailed discussions and negotiations, the Resolution Plan submitted by Shiv Infra was approved by the CoC by 100% voting share.
- In accordance with the provisions of the RFRP, the SRA submitted a performance security of INR 1,00,00,000/- and also affirmed its eligibility under Section 29 A of the IBC, by way of an affidavit.
- The approved Resolution Plan proposes a total resolution amount of INR 1,55,02,00,000/-, as detailed hereinunder:

- CIRP Cost to be paid in full. The Plan states that the CIRP Cost prior to July 29, 2024 shall be borne by the CoC whereas the CIRP Costs incurred post July 29, 2024 shall be divided in the 50:50 ratio, between the CoC and the SRA.
- The Secured Financial Creditor shall be paid a sum of INR 155 Crores (plus recovery under Section 66 Application) as against their admitted claims of INR 1322.88 Crores, in the following manner:
 - (i) Sum of INR 10 Crores within 7 days from the approval of the plan.
 - (ii) Sum of INR 45 Crores within 3 months from the Effective date.
 - (iii) Allotment of 40,000 square feet of carpet area together with proportionate car parking spaces in the free sale buildings to be constructed. The RA shall pay an amount equal to all revenues generated from sale of flats aggregating to the mentioned carpet area. This revenue is recognised at INR 100 Crores in the plan.
 - (iv) In addition, the Secured Financial Creditor shall also be paid the amount received from avoidance applications filed in relation to CoC assets.
- The Government shall be paid a sum of INR 1 Lakh as against their admitted claim of INR 96.68 Crores.
- The Operational Creditors (other than Govt and workmen) shall also be paid a sum of INR 1 Lakh as against their admitted claim of INR 17.09 Crores.
- The resolution plan also states that the SRA shall undertake the development of slum rehabilitation scheme from its own funds and from the revenues to be generated from the project.
- Notably, as per the valuation reports obtained by the RP, the Liquidation Value of the Corporate Debtors (combined) is INR 238.36 Crores and the Fair value of the Corporate Debtors (combined) is INR 338.41 Crores.
- The NCLT, after noting the compliance of the approved Resolution Plan under Sections 25(2)(h), 29A, 30(2), and 31 of the IBC, and Regulation 38 of the CIRP Regulations, approved the Resolution Plan for the Corporate Debtor.

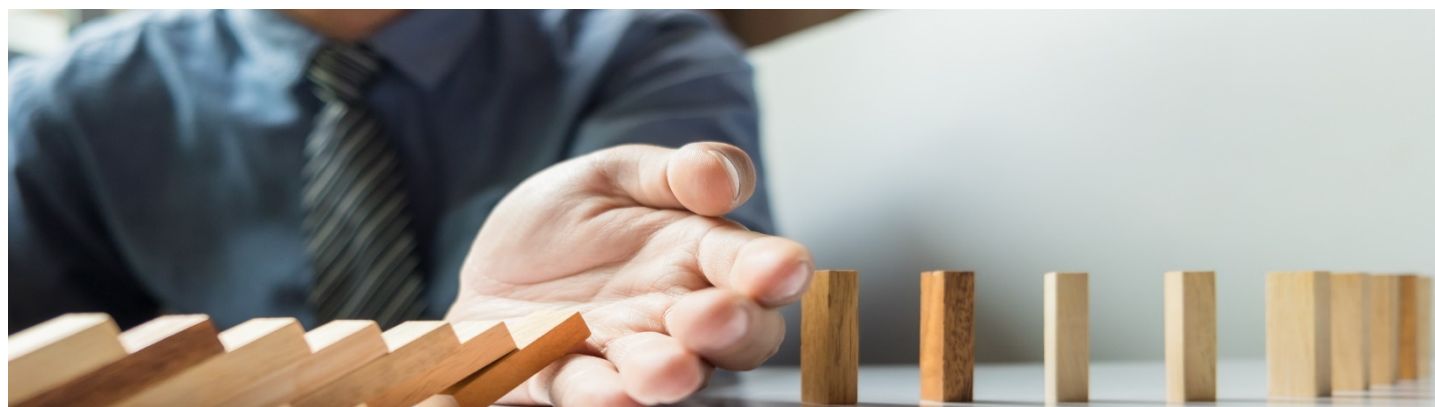
Resolution of Nadhi Bio Products Pvt. Ltd.

- The NCLT, Hyderabad bench (NCLT) vide Order dated June 12, 2025 has approved the resolution plan submitted by Mr. Nakkirikanti Rammurthy jointly with Mr. Namburi Viweswara Rao (SRA), in the CIRP of Nadhi Bio Products Pvt Ltd (Corporate Debtor).
- In May, 2023, CIRP was initiated in respect of the Corporate Debtor pursuant to an application filed by R.K. Distillers Pvt Ltd, a financial creditor. Upon admission, Mr. Jayesh Sanghrajka was appointed as the Interim Resolution Professional (IRP). Later, the CoC comprising of sole financial creditor, Piramal Capital and Housing finance Pvt Ltd (PCHFL), consolidated CIRP was initiated in respect of the following Corporate Debtors:
 - Darshan Developers Pvt Ltd
 - Immediate Real Estate Pvt Ltd
 - Manpreet Developers Pvt Ltd
 - Wamika Real Estate Pvt Ltd
 - Prithvi Residency Pvt Ltd
 - Tenacity Real Estate Pvt Ltd
 - Ghardwar Real Estate Pvt Ltd
 - Fulgent Real Estate Pvt Ltd
 - Suvarat Real Estate Pvt Ltd
 - Azinova Constructions Pvt Ltd
 - Vyomakara Real Estate Pvt Ltd
- Mr. Jayesh Sanghrajka was appointed as the common RP for the consolidated Corporate Debtors. The Corporate Debtors have only one financial creditors, being PHFCL, and therefore, a common CoC was comprised for all Corporate Debtors.
- Pursuant thereto, the RP published Form G on June 09, 2023. The CoC decided to publish a modified Form G, which was published by the RP on July 12, 2023. Resultantly, the RP received 4 EOIs. However, no resolution plan was received for the Corporate Debtors. The CoC decided to publish fresh Form G, which was published on December 03, 2023. While the RP received EOIs from a few entities. On account of a few being after the stipulated timeline, the RP published a fresh Form G on the instructions of the CoC on June 06, 2024. Pursuant thereto, the RP received 4 EOIs. However, only two resolution plans were received, from the following entities:

(i) Shiv Infra Vision Properties Pvt Ltd

(ii) Authum Investment and Infrastructure Ltd

- After detailed discussions and negotiations, the Resolution Plan submitted by Shiv Infra was approved by the CoC by 100% voting share.
- In accordance with the provisions of the RFRP, the SRA submitted a performance security of INR 1,00,00,000/- and also affirmed its eligibility under Section 29 A of the IBC, by way of an affidavit.
- The approved Resolution Plan proposes a total resolution amount of INR 1,55,02,00,000/-, as detailed hereinunder:
 - CIRP Cost to be paid in full. The Plan states that the CIRP Cost prior to July 29, 2024 shall be borne by the CoC whereas the CIRP Costs incurred post July 29, 2024 shall be divided in the 50:50 ratio, between the CoC and the SRA.
 - The Secured Financial Creditor shall be paid a sum of INR 155 Crores (plus recovery under Section 66 Application) as against their admitted claims of INR 1322.88 Crores, in the following manner:
 - (i) Sum of INR 10 Crores within 7 days from the approval of the plan.
 - (ii) Sum of INR 45 Crores within 3 months from the Effective date.
 - (iii) Allotment of 40,000 square feet of carpet area together with proportionate car parking spaces in the free sale buildings to be constructed. The RA shall pay an amount equal to all revenues generated from sale of flats aggregating to the mentioned carpet area. This revenue is recognised at INR 100 Crores in the plan.
 - (iv) In addition, the Secured Financial Creditor shall also be paid the amount received from avoidance applications filed in relation to CoC assets.
 - The Government shall be paid a sum of INR 1 Lakh as against their admitted claim of INR 96.68 Crores.
 - The Operational Creditors (other than Govt and workmen) shall also be paid a sum of INR 1 Lakh as against their admitted claim of INR 17.09 Crores.
 - The resolution plan also states that the SRA shall undertake the development of slum rehabilitation scheme from its own funds and from the revenues to be generated from the project.
- Notably, as per the valuation reports obtained by the RP, the Liquidation Value of the Corporate Debtors (combined) is INR 238.36 Crores and the Fair value of the Corporate Debtors (combined) is INR 338.41 Crores.
- The NCLT, after noting the compliance of the approved Resolution Plan under Sections 25(2)(h), 29A, 30(2), and 31 of the IBC, and Regulation 38 of the CIRP Regulations, approved the Resolution Plan for the Corporate Debtor.



COMPANIES ADMITTED TO INSOLVENCY AND LIQUIDATION PROCESS IN THE MONTH OF AUGUST 2025

Companies admitted to insolvency

S.No.	Name of Corporate Debtor	NCLT Bench	Business Activity
1	Alchemist Capital Ltd.	Chandigarh	The Company is involved in financial intermediation.
2	Sri Balaji Cement and Power Ltd.	Bengaluru	The Company is involved in Manufacture of cement, lime and plaster.
3	Pride Coke Pvt. Ltd.	Guwahati	The Company is Manufacturer of coke oven products.
4	Mahagun (India) Pvt. Ltd.	New Delhi	The Company is involved in real estate development.
5	Millennium City Expressways Pvt. Ltd.	New Delhi	The Company is involved constructions and civil engineering.
6	Ajay Protech Pvt. Ltd.	Ahmedabad	The Company is involved in constructions and civil engineering.
7	Bhagirath Construction Company Pvt. Ltd.	Ahmedabad	The Company is involved in construction and civil engineering.
8	Chhota Govindpur and Bagbera Drinking Water Supply Project Ltd.	Chennai	The Company is involved in collection, Purification and distribution of water.
9	Venus Star Chit Pvt. Ltd.	Chennai	The Company is involved in financial services sector.
10	Pushpak Auxichem Pvt. Ltd.	Mumbai	The Company is involved in Extra Territorial Organizations and Bodies.
11	Roy Agrovets Pvt. Ltd.	Kolkata	The Company is involved in poultry business.
12	Theme Developers Pvt. Ltd.	Mumbai	The Company is involved in general construction.
13	Mohanbir Hi-Tech Build Pvt. Ltd.	New Delhi	The Company is in real estate and construction sector.
14	Soho Ltd.	New Delhi	The Company is in in general construction.
15	Zusak Exim Pvt. Ltd.	Mumbai	The Company is involved in trade and wholesale.
16	GEMS Education Solutions India Pvt. Ltd.	Chandigarh	The Company is involved in education sector.
17	SU Toll Road Pvt. Ltd.	Mumbai	The Company is involved in designing, building, operating, and tolling roads.
18	Kamala Board Box Pvt. Ltd.	Kolkata	The Company is a manufacturer of articles of paper and paperboard.
19	Sidhartha Construction And Pvt. Ltd.	Cuttack	The Company is in construction and civil engineering.
20	Sri Krishna Stockist & Traders Pvt. Ltd.	Amaravati	The Company is involved in trading and processing of agricultural raw materials.
21	Echo Motors And Automobiles Pvt. Ltd.	Guwahati	The Company is involved in sale of motor vehicles.
22	Sri Lakshmi Motor Service Pvt. Ltd.	Benguluru	The Company is involved in sale of motor vehicle parts and accessories.

23	M/s. Green Belt Industry Pvt. Ltd.	Guwahati	The Company is a manufacturer and supplier of building materials.
24	M/s. Raheja Developers Ltd.	New Delhi	The Company is involved in the business of real estate.
25	Win Hide Pvt. Ltd.	Chennai	The Company is manufacturer and supplier of leather products.
26	M/s. T&R Auto Pvt. Ltd.	Hyderabad	The Company is wholesale and commission trade.
27	Shivam India Ltd.	Kolkata	The Company is a manufacturer of steel and related products.
28	Infotech HAL Ltd.	Benguluru	The Company is involved in aerospace industry.
29	A. Gangwal Real Estate LLP	Jaipur	The Company is involved in the business of real estate.
30	Lakhari Resources Pvt. Ltd.	Chennai	The Company is involved in computer related activities.
31	M/s Silveroak Home Appliances Pvt. Ltd.	Mumbai	The Company is in retail and wholesale trading of home appliances.
32	BMG Chemicals Pvt. Ltd.	Mumbai	The Company is a manufacturer of basic chemicals except fertilizers and nitrogen compounds.
33	AGS Transact Technologies Ltd.	Mumbai	The Company is a provider of omnichannel payment solutions.
34	VR Commodities Pvt. Ltd.	Amaravati	The Company is involved in the import, export, and trading of energy commodities.
35	NV Autospares Pvt. Ltd.	Mumbai	The Company is a manufacturer and supplier of automotive parts.
36	Lily Jewellery Pvt. Ltd.	Mumbai	The Company is a manufacturer of jewellery and related articles.
37	M/s. Kallam Brothers Cottons Pvt. Ltd.	Amaravati	The Company is involved in Preparation and spinning of textile fiber.
38	Dhanlaxmi Electricals Pvt. Ltd.	Mumbai	The Company is a distributor, supplier, and trader of electrical products.
39	Prolific Systems & Technologies Pvt. Ltd.	Mumbai	The Company is a manufacturer of office, accounting and computing machinery.
40	Digizone Technology Pvt. Ltd.	Mumbai	The Company is a trader of electronic goods or IT products.

Companies admitted to liquidation process in the month of August 2025

#	Name of Corporate Debtor	NCLT Bench	Industry
1	Ram Lal Aneja Foods Pvt Ltd	Chandigarh	The company is engaged in the business of trading/processing of food products
2	M/S APF Estates Pvt Ltd	Hyderabad	The company is engaged in the business of real estate, likely focused on land and property development or management.
3	LG Fibre Pvt Ltd	Ahmedabad	The company is engaged in manufacturing or trading of fibres; synthetic or natural fibres used in textile production.

CONTRIBUTIONS BY:		
Abhirup Dasgupta Partner	Faranaaz Karbhari Counsel	Ishaan Duggal Associate Partner
Ruchi Goyal Senior Associate	Vineetha Khandelwal Associate	

HSA

AT A GLANCE

FULL-SERVICE CAPABILITIES

 BANKING & FINANCE	 COMPETITION & ANTITRUST	 CORPORATE & COMMERCIAL
 DEFENCE & AEROSPACE	 DISPUTE RESOLUTION	 ENVIRONMENT, HEALTH & SAFETY
 INVESTIGATIONS	 LABOR & EMPLOYMENT	 PROJECTS, ENERGY & INFRASTRUCTURE
 PROJECT FINANCE	 REAL ESTATE	 REGULATORY & POLICY
 RESTRUCTURING & INSOLVENCY	 TAXATION	 TECHNOLOGY, MEDIA & TELECOMMUNICATIONS

GLOBAL RECOGNITION



STAY CONNECTED



www.hsalegal.com



mail@hsalegal.com



HSA Advocates

PAN INDIA PRESENCE

New Delhi

Email: newdelhi@hsalegal.com

Mumbai

Email: mumbai@hsalegal.com

Bengaluru

Email: bengaluru@hsalegal.com

Kolkata

Email: kolkata@hsalegal.com