

**IN THE NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH-I, CHENNAI**

ATTENDANCE CUM ORDER SHEET OF THE HEARING
HELD ON **23.03.2026** THROUGH VIDEO CONFERENCING

CORAM: HON'BLE SHRI. SANJIV JAIN, MEMBER (JUDICIAL)
HON'BLE SHRI. VENKATARAMAN SUBRAMANIAM, MEMBER (TECHNICAL)

APPLICATION NUMBER :
PETITION NUMBER : CP(IBC)/94(CHE)/2025
NAME OF THE PETITIONER(S) : M/s. SVL Ltd
NAME OF THE RESPONDENT(S) : Abhiyantha Project Engineering Pvt. Ltd.
UNDER SECTION : Sec 7 of IBC, 2016

ORDER

Present: Ms. Madhumitha, Ld. Counsel for the Petitioner/Financial
Creditor.
Ms. Sangamithra Loganathan, Ld. Counsel for the Respondent.

Vide separate order pronounced in the Open Court, the petition is admitted.
CIRP is initiated against the Corporate Debtor, Abhiyantha Project Engineering
Pvt. Ltd. Shri. Amier Hamsa Ali Abbas Rawther is appointed as the IRP.

Sd/-
[VENKATARAMAN SUBRAMANIAM]
MEMBER (TECHNICAL)

Sd/-
[SANJIV JAIN]
MEMBER (JUDICIAL)

vs

Date: 23.03.2026

**IN THE NATIONAL COMPANY LAW TRIBUNAL,
DIVISION BENCH – I, CHENNAI**

CP(IB)/94(CHE)/2025

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

In the matter of Abhiyantha Project Engineering Private Limited

SVL Limited

123, Angappa Naicken Street,

Chennai- 600001

----Petitioner

Vs

Abhiyantha Project Engineering Private Limited

CIN : UT4999TN2017PTC116100

New No 14 , Old No 12/1, Thiruvalluvar Street,

Rangarajapuram, Kodambakkam.

Chennai 600024

----Respondent

Order pronounced on 23rd March, 2026

CORAM :

SANJIV JAIN, MEMBER (JUDICIAL)

VENKATARAMAN SUBRAMANIAM , MEMBER (TECHNICAL)

For Petitioner:

Ld. Counsel Raj Jabakh

For Respondent:

*Ld . Counsel Shri.V.Manivannan &
Arvind Rajagopal*

ORDER

(Heard Through Hybrid Mode)

1. This petition **CP IB 94 CHE 2025** has been filed by SVL Limited as financial creditor on 22.04.2025 under Section 7 of the Insolvency and Bankruptcy Code, 2016 (hereinafter referred to as “the Code”) read with Rule 4 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 (hereinafter referred to as “the AAA Rules”) for initiating Corporate Insolvency Resolution Process (hereinafter referred to as “CIRP”) against **Abhiyantha Project Engineering Private Limited**, the Corporate Debtor (CD).

2. Petitioner is a public limited company in Chennai. Corporate Debtor is a limited company having registered office at Chennai and was incorporated on 20.04.2004 with CIN No *U51229TN2004PLC053001*. It is stated Corporate Debtor approached the petitioner to avail loan for its business expansion plans. It is stated that the loan was for a short period and repayable on demand. The loan is also reflected in the books of accounts of the Corporate Debtor. Further, it is stated that Corporate

Debtor acknowledged the debt on 17.08.2022, 14.07.2023 and 16.08.2024.

It is stated that as per latest confirmation of balance , the loan amount due and outstanding is reflected to be Rs. 13,46,55,499.

3. It is stated that petitioner issued a demand notice on 20.01.2025 seeking that outstanding dues are paid within seven days from receipt of the notice but Corporate Debtor did not pay. Consequently the debt of Rs.13,46,55,499/- was defaulted by Corporate Debtor and date of default is 27.01.2025.

4. In Part III of the petition, petitioner recommended the name of Mr. Amier Hamsa Ali Abbas Rawther (IBBI/IPA-01/IP-P01727/2019-2020/12620), R094, SBIOA Unity Enclave,Mambakkam Post, Near Shiva temple, Chennai -600127 . Written consent from proposed IRA was also obtained.

5. As per Part IV of the petition, the date of default is 27.01.2025 and the amount in default is Rs. 13,46,55.459/- (Rs. Thirteen crore forty six lakhs fifty five thousand and four hundred and fifty nine only). Following documents are enclosed with petition to support debt and default claim:

- a. Copy of demand notice sent by the Financial Creditor to the Corporate Debtor dated 20.01.2025.
- b. Copy of the Audited Financials of the Financial Creditor for the last 3 years. [Annexure L]
- c. Copy of the Master Data of the Financial Creditor as taken from MCA website.
- d. Copy of the Master Data taken from the MCA website, of the Corporate Debtor.
- e. Copy of the **Record of Default** issued by the National E-Governance Services Limited in Form C.
- f. Copy of the Audited Financials of the Corporate Debtor for the last 3 financial years.

Submissions by Petitioner:

6. It is stated that Petitioner SVL Limited is a Public Limited Company. The Corporate Debtor, Abhiyantha Project Engineering Private Limited was desirous of expanding its business and hence approached Petitioner to avail a loan for the said purpose. It is stated that the petitioner advanced a loan which is reflected in the Audited Balance Sheet of the

Respondent. The said loan was to be repaid within a short period, or upon the demand of Petitioner, by Respondent.

7. It is stated that loan to be repaid was periodically acknowledged by the Respondent inter-alia on 17.08.2022, 14.07.2023 and 16.08.2024. Even as per the latest confirmation sent by the Respondent, the loan amount due and outstanding to be paid to the Petitioner is reflected to be a sum of Rs. 13,46,55,499/-. It is stated that despite several oral requests made for repayment of amounts advanced, no payments were forthcoming from respondent and that petitioner kept extending the time for repayment and the same was acknowledged by respondent as well. Even the extended time period for repayment lapsed and despite receipt of several repeated reminders the outstanding amount has not been paid till date.

8. It is stated that on 20.01.2025, petitioner sent a demand notice to Corporate Debtor seeking that outstanding dues be repaid within a period of 7 days from receipt of the notice. Despite the notice was validly served, respondent has not either deigned to pay the amounts due or replied to the demand notice.

9. It is stated that a total amount of Rs. 13,46,55,499/- is the outstanding due and payable to the Petitioner / Financial Creditor by the Respondent/ Corporate Debtor. This continuous non-payment of dues clearly constitutes a "default" within the meaning of the provisions of the Insolvency and Bankruptcy Code 2016 and it is clear that there is a 'debt' due to the Petitioner, in respect of which there is also a 'default' and that this necessitated the Petitioner/Financial Creditor to file a Section 7 before this Tribunal.

Counter by Corporate Debtor

10. It is stated that Corporate Debtor is a Private Limited Company incorporated under the provisions of the Companies Act, 2013 on 21.11.2014 with CIN: U74999TN2014PTC098147 and is engaged in Industrial Machinery Retail and Distribution within the Trade Sector as well as involved in other business activities .

11. It is stated that Corporate Debtor intended for an expansion of its business as early as FY 2014-15 and having known Petitioner's involvement within the Financial and Insurance Service Sector, this

Corporate debtor approached the Petitioner to avail Financial Services by way of loan repayable to them on demand.

12. It is stated that Petitioner / Financial Creditor duly sanctioned an Unsecured Loan for Rs.80,00,00,000/- as of 02.02.2015 and the amounts had been duly disbursed in favour of the Corporate Debtor. It is stated that applicable Rate of Interest for the said Loan Facility was agreed to be 9% p.a. Corporate Debtor was always prompt in repaying the dues in agreed instalments till about FY 2020-21, when there were no setbacks in the conduct of its business.

13. It is stated that the Corporate Debtor had a decline in its business activities, on account of the covid pandemic during FY 2020-21, which in turn had a huge impact on its financial status. Consequently, the Corporate Debtor began to default in payment of its dues to the Petitioner/ Financial Creditor.

14. It is stated that Corporate Debtor had duly recorded and disclosed its liabilities including the liability to the abovenamed Petitioner / Financial Creditor in its Audited Financials for the financial years ended 2022, 2023

& 2024. It is stated that Corporate Debtor was in fact compliant in its statutory filings and filed the Balance Sheet as on 31.03.2024.

15. It is stated that the Petitioner / Financial Creditor followed up with Corporate Debtor towards repayment of the outstanding dues since 2022.

It is stated that Corporate Debtor had a balance outstanding of Rs.40,48,45,177/- repayable to the Petitioner/Financial Creditor as on 31.03.2022. Corporate Debtor, amidst severe financial crisis, managed to clear a portion of the said outstanding in the course of the FY 2022-23 and brought down the liability to the tune of Rs. 13,46,12,499/- as on 31.03.2023. However, it is stated that Corporate Debtor could not manage to repay pending dues during the FY 2023-24, amidst all its other Financial commitments towards employees and thereby, the dues accumulated stood at Rs.13,46,55,499/- as on 31.03.2024.

16. It is stated that in the counter, Corporate Debtor does not dispute or deny existence of financial debt of Rs. 13,46,55,499/- and duly admits default committed as regards loan repayment in favour of petitioner. Corporate Debtor's Balance Confirmation Letter dated 16.08.2024 is a reiteration of its admitted liability in its books of accounts. It is stated that

Corporate Debtor owing to financial distress and various operational challenges, could not meet the repayment obligations and could only acknowledge their liability to the Petitioner / Financial Creditor.

Analysis and findings

17. Heard the Ld. Counsels and perused the pleadings.

18. It is observed that petitioner provided necessary documentary evidences to prove disbursement of financial debt and default including Record of Default issued by NeSL. Corporate Debtor in the counter accepted that it defaulted in payment to the petitioner.

Clarifications sought and response received

19. On 17.02.2026 , tribunal sought certain clarifications from the Petitioner and Corporate Debtor and asked them to file by way of memo.

The queries raised and details provided are as under:

- i) **Query:** *SVL Ltd., has subscribed to zero percent Compulsory Convertible Debentures of Rs.95.0 Crores in Corporate Debtor. Total paid-up capital of the Corporate Debtor is Rs. 1.0 Lakh. Why conversion has not happened ?*

Response by Petitioner:

It is stated that amount subscribed towards the debentures (CCDs) does not form part of present proceedings under Section 7, which have been filed based on debt and default arising out of the Loan agreement dated 02.02.2015 entered into by the parties. It is pursuant to this Loan Agreement that amounts were advanced by the Petitioner to the Corporate Debtor, and in respect of which a sum of INR. 13,46,55,499/- is due and payable to the Petitioner from the Corporate Debtor. The conversion of the CCDs issued to the Petitioner-Creditor, therefore has no impact on the transaction forming the subject matter of present Petition.

Response by Corporate Debtor

Corporate Debtor, in addition to Loan borrowed in respect of which the Financial Creditor filed this Company Petition, t Corporate Debtor issued the aforesaid Debentures. As per the terms of issue of the Debentures, they were convertible into Equity Shares in 5 years i.e., in 2020. In view of the deteriorated financial position by 2020, valuation exercise for

the equity shares could not be done and the Debentures continued as such.

ii) Query . Contribution by the Petitioner in the form of equity, CCD of Rs.95.0 Crores and loan of Rs.80.0 Crores is far more than contribution by all the promoter shareholders. Despite this, why the Petitioner is not classified as related party ?

By Petitioner:

In response to this query, it is relevant to point out that while the Agreement by which the Loan was granted provided for borrowings upto an amount of INR 80 Crores, the amount actually advanced to the Corporate Debtor by the Petitioner was only a sum of INR.40,48,45,177/-. Further, the Tribunal has in the order dated 17.02.2026, adverted to the fact that the Petitioner has despite providing this loan and also subscribing to CCDs to the extent of INR 95 Crores, not been classified as a related party. In this regard, it is submitted that the term 'related party' is defined in Section 2(76) of the Companies Act 2013. The provision sets out in sub-clauses (i)-(ix) thereof, the

different categories of related parties with reference to a company. Further, and in terms of sub-clause (viii) of Section 2 (76), a body corporate becomes a related party with reference to a company only if it falls within the categories specified in sub-clauses (A) to (C) thereof. The Petitioner does not fall within any of these categories in relation to the Corporate Debtor and is only a lender as far as the Corporate Debtor is concerned. The question therefore of the Petitioner being classified or treated as related party, did not arise.

By Corporate Debtor

Financial Creditor is not a Related Party, either at the time of lending in the form of Debentures and Loans or as on date. Financial Creditor is not holding any shares in Corporate Debtor at the time of granting of both the aforesaid facilities. Financial Creditor is a purely a Lender. As stated above, CCDs have not converted into Equity Shares. In this background, the Corporate Debtor states that the Financial Creditor is not a

Related Party under any law including IBC and as such the question of classifying them as Related Party does not arise.

iii) Query .The Corporate Debtor was formed in 2014. It is stated in the counter that the Corporate Debtor obtained loan of Rs.80.0 Crores from the Petitioner on 02.02.2015 and the Respondent was prompt in repayment of debt till 2020-2021 and the debt carries an interest rate of 9%. Let the copy of the loan agreement, ledger statement of the Corporate Debtor in the books of the Petitioner be shared with proof of repayments.

Reply by Petitioner:

In response, it is reiterated that, the Corporate Debtor did not avail an amount to an extent of INR. 80 Crores, which as stated above is the maximum amount that could have been advanced as per the Loan Agreement. However, the principal amount borrowed is only a sum of INR. 40.48 Crores. It is also correct that the loan provided carried an interest rate of 9% p.a. and this is also evident from the provisions contained in the Loan Agreement - Clauses 5 & 6 and Schedule I thereof, a

copy of which is enclosed as Annexure B. It is also correct that as on 31.03.2022, the amount payable by the Corporate Debtor to the Petitioner was a sum of INR. 40,48,45,000, which for the year ended 31.03.2023, came down to a sum of INR. 13,46,56,000/-. This was evidently pursuant to the repayment of the differential amount during the FY 2022-2023, and not in 2020- 2021, as mentioned in Query Number 4. The repayments would be borne out even by the audited financial statements of the Corporate Debtor which have also been filed before the Tribunal. In addition, the copies of the Ledger Statement and the Bank Statements evidencing such payments made through proper banking channels are enclosed as proof of repayment in Annexures C & D.

iv) Query Further, in the counter it is stated that the Corporate Debtor had a balance outstanding of Rs.40,48,45,177/- repayable to the Petitioner/Financial Creditor as on 31.03.2022. The Corporate Debtor, amidst severe financial crisis, had managed to clear a portion of the said outstanding in the course of the Financial Year

2022-23 and brought down the liability to the tune of Rs.13,46,12,499/- as on 31.03.2023. Let the source of funds for repayment be shared.

Reply by Petitioner

As set out in response to Query Number 4 above, the amounts due to the Petitioner came down from INR. 40,48,45,177/- to INR. 13,46,12,499/- in the FY ended 31/3/2023, by virtue of repayments made in the course of the said financial year. The source of the funds enabling the Corporate Debtor to make such repayments is also evident from the Balance Sheets pertaining to the FY 31.03.2022 and 31.03.2023. As can be seen from the Balance Sheet for the year ended 31.03.2022, under the heading "Short Term Loans and Advances", a sum of INR. 27,08,90,000/- is shown as payable to the Corporate Debtor by an entity named M/s Viniyogaaa Distribution Services Private Limited. In the FY beginning 01.04.2022, the said amount was statedly received by the Corporate Debtor from M/s Viniyogaa Distribution Services Private Limited and was used

by the Corporate Debtor to repay a portion of the amounts due to the Petitioners. This position would also be borne out by the contents of the Financial Statement for the year ended 31.03.2023 of the Corporate Debtor which would demonstrate the reduction in liability of M/s Viniyogaa to the Corporate Debtor, coupled with the reduction in the liability of the Corporate Debtor to the Petitioner.

Reply by Corporate Debtor

Corporate Debtor had certain outstanding receivables, which was received during the Financial Year 2022-23 and was used to pay off the loan outstanding of Financial Creditor, This has resulted in outstanding payables to the Financial Creditor getting reduced by 31.03.2023 compared with the outstanding as on 31.03.2022. Amount realised from the loan given by the Corporate Debtor and repayment of the same to the Financial Creditor are through Banking Channels only. Copy of the Bank Statement of the Corporate Debtor, which reflect these transactions is enclosed as Annexure A.

20. While the matter was listed for hearing on 17.03.2026, Ld. Counsels for parties reiterated that petitioner is not related party to Corporate Debtor. Further it was stated that for sake of argument even if petitioner is considered as a related party, provisions of IBC do not prohibit related party from filing Section 7 petition, it only prohibits the related party from becoming CoC member.

21. This Tribunal considered legal framework under Section 7 of the IBC, which requires establishment of a financial debt and a default by the Corporate Debtor. Hon'ble Supreme Court in **Innoventive Industries Limited Vs. ICICI Bank and Anr. (2017) ibclaw.in 02 SC**, clarified that Adjudicating Authority must ascertain the existence of a debt that is due and a default that has occurred. The view taken in the case of Innoventive Industries has been followed by Hon'ble Supreme Court in the case of **ES Krishnamurthy & Ors. Vs. M/s Bharath Hi Tech Builders Pvt. Ltd. (2021) ibclaw.in 173 SC**. In view of the law laid down by the Hon'ble Supreme Court in Innoventive Industries (Supra) and followed in subsequent judgments, once the existence of financial debt and occurrence of default

are established, the Adjudicating Authority is required to admit the application.

22. Present Petition is complete in terms of Section 7 (5) of the Code. The Tribunal finds that Financial Creditor discharged its burden of proof under Section 7 of the Code by demonstrating the existence of a financial debt and default in payment of the financial debt by the Corporate Debtor. The outstanding financial debt is of more than Rupees One Crore, which meets the threshold limit as per Section 4 of the Code and is well within the limitation for filing the present Petition further supported by comprehensive documentation.

23. In view of the facts stated supra and the legal precedents, this Tribunal admits the present petition and initiates the Corporate Insolvency Resolution Process in relation to Corporate Debtor viz., Abhiyantha Project Engineering Private Limited.

24. The petitioner in Part III of Form I proposed the name of IRP as *Mr. Amier Hamsa Ali Abbas Razwther* (IBBI/ IPA-01 /IP-P01727 /2019-2020/ 12620). The proposed IRP has given his consent to act as Interim

Resolution Professional and his AFA is available till December 2026.

Hence 'Mr. Amier Hamsa Ali Abbas Rawther' is appointed as IRP.

ORDER

25. In view of the aforesaid findings, the Petition bearing C.P.(IB) No.94/CHE/2025 filed under Section 7 of the Code by the Petitioner , for initiating CIRP in respect of **Abhiyantha Project Engineering Private Limited** , the Corporate Debtor is admitted.

50. As per Section 17 (1) of IBC, from the date of appointment of the interim resolution professional,--

(a) the management of the affairs of the corporate debtor shall vest in the interim resolution professional;

(b) the powers of the board of directors or the partners of the corporate debtor, as the case may be, shall stand suspended and be exercised by the interim resolution professional;

(c) the officers and managers of the corporate debtor shall report to the interim resolution professional and provide access to such documents and records of the corporate debtor as may be required by the interim resolution professional;

(d) the financial institutions maintaining accounts of the corporate debtor shall act on the instructions of the interim resolution professional in relation to such accounts and furnish all information relating to the corporate debtor available with them to the interim resolution professional.

26. We further declare moratorium under Section 14 of the Code with consequential directions as mentioned below: -

I. We prohibit

- a) the institution of suits or continuation of pending suits or proceedings against the Corporate Debtor including execution of any judgment, decree or order in any court of law, tribunal, arbitration panel or other authority;
- b) transferring, encumbering, alienating or disposing of by the Corporate Debtor any of its assets or any legal right or beneficial interest therein;
- c) any action to foreclose, recover or enforce any security interest created by the Corporate Debtor in respect of its property including

any action under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002;

d) the recovery of any property by an owner or lessor where such property is occupied by or in possession of the Corporate Debtor.

II. That the supply of essential goods or services to the Corporate Debtor, if continuing, shall not be terminated or suspended or interrupted during the moratorium period.

III. That the order of moratorium shall have effect from the date of this order till the completion of the CIRP or until this Tribunal approves the resolution plan under Section 31(1) of the Code or passes an order for the liquidation of the Corporate Debtor under Section 33 thereof, as the case may be.

IV. That the public announcement of the CIRP shall be made immediately as specified under Section 13 of the Code read with Regulation 6 of the IBBI(Insolvency Resolution Process for Corporate Persons) Regulations, 2016 and other Rules and Regulations made thereunder.

V. That this Bench hereby appoint *Mr. Amier Hamsa Ali Abbas Rawther* (IBBI/IPA-01/IP-P01727/2019-2020/12620), R094, SBIOA Unity Enclave,

Mambakkam Post, Near Shiva temple, Chennai -600127 and e-mail address *amierhamsa@gmail.com* having valid Authorisation for Assignment up to 31.12.2026 as the Interim Resolution Professional to carry out the functions under the Code.

VI. That the fee payable to IRP/RP shall be in accordance with such Regulations/Circulars/ Directions as may be issued by the IBBI.

VII. That during the CIRP Period, the management of the Corporate Debtor shall vest in the IRP or, as the case may be, the RP in terms of Section 17 or Section 25, as the case may be, of the Code. The officers and managers of the Corporate Debtor, the Corporate Debtor are directed to provide effective assistance to the IRP as and when he takes charge of the assets and management of the Corporate Debtor. The officers and managers of the Corporate Debtor shall provide all documents in their possession and furnish every information in their knowledge to the IRP/RP within a period of one week from the date of receipt of this Order and shall not commit any offence punishable under Chapter VII of Part II of the Code. Coercive steps will follow against them under the provisions of the Code read with Rule 11 of the NCLT Rules for any violation of law.

VIII. That the IRP/IP shall submit to this Tribunal periodical reports with regard to the progress of the CIRP in respect of the Corporate Debtor.

IX. In exercise of the powers under Rule 11 of the NCLT Rules, 2016, the Applicant is directed to deposit a sum of Rs.3,00,000/- (Rupees Three Lakh) with the IRP to meet the initial CIRP cost arising out of issuing public notice and inviting claims, etc. The amount so deposited shall be interim finance and paid back to the Applicant on priority upon the funds available with IRP/RP from the Committee of Creditors (CoC). The expenses incurred by IRP out of this fund are subject to approval by the CoC.

X. A copy of this Order be sent to the Registrar of Companies, Tamilnad, Chennai for updating the Master Data of the Corporate Debtor.

XI. A copy of the Order shall also be forwarded to the IBBI for record and dissemination on their website.

XII. The Registry is directed to immediately communicate this Order to the Applicant, the Corporate Debtor and the IRP by way of Speed Post, e-mail and WhatsApp.

XIII. Compliance report of the order by Designated Registrar is to be submitted today.

27. Accordingly, **CP (IB)/94(CHE)/2025 stands admitted**. A certified copy of this order may be issued, if applied for, upon compliance with all requisite formalities.

-Sd-

**VENKATARAMAN SUBRAMANIAM
MEMBER (TECHNICAL)**

-Sd-

**SANJIV JAIN
MEMBER (JUDICIAL)**