



BEFORE THE ADJUDICATING AUTHORITY
IN THE NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH, COURT – 1, AHMEDABAD

ITEM No.101
C.P.(IB)/87(AHM)2026

Proceedings under Section 7 IBC

IN THE MATTER OF: Fortune Assets Private Limited

Edelweiss Asset Reconstruction Company Limited

Through its authorized representative

*1st floor, Edelweiss House,
Off. C.S.T. Road,
Kalina, Mumbai City, Mumbai,
Maharashtra, India, 400098*

.....Applicant/FC

VERSUS

Fortune Assets Private Limited,

Through its directors

Having its registered office at:

B 37/2/2, Fifth Floor, Ajanta Commercial
Centre, Income Tax Crossroad, Ashram Road,
Ahmedabad City, Gujarat-380009

Also at:

A-703,. Sapath-4, Opp. Karnavati Club,
S.G. Highway, Ahmedabad,
Gujarat-380051

.....Respondent /CD

Order delivered on: 18/03/2026

C O R A M:

MR. SHAMMI KHAN, HON'BLE MEMBER (J)
MR. SANJEEV SHARMA, HON'BLE MEMBER (T)

P R E S E N T:

For the Applicant/FC : Mr. Karan Sanghani, Advocate

For the Respondent/CD : None



ORDER
(Hybrid Mode)

1. This Company Petition has been filed on 07.02.2026 by Edelweiss Asset Reconstruction Company Limited (acting in its capacity as trustee of EARC Trust 453) (hereinafter referred to as "Financial Creditor") under Section 7 of the Insolvency and Bankruptcy Code, 2016 read with Rule 4 of the IB (AAA) Rules, 2016 for initiation of Corporate Insolvency Resolution Process (CIRP) against Fortune Assets Private Limited (hereinafter referred to as "Corporate Debtor") for default in payment of financial debt of **Rs.13,11,27,85,247/-** as on 15.01.2026.
2. On perusal of Part-I of Form-1, it is revealed that the Financial Creditor is an Asset Reconstruction Company registered under Section 3 of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 ("SARFAESI Act") having its Office at Edelweiss House, Off. C.S.T. Road, Kalina, Mumbai City, Mumbai, Maharashtra, India, 400098. The Petition is filed through its Assistant Manager duly authorized by Board Resolution letter dated 08.01.2026 is annexed with the Petition as Annexure-A/1.
3. On perusal of Part-II of Form-1, it is revealed that the Corporate Debtor is Fortune Assets Private Limited, incorporated on 07.11.2008 under the Companies Act, 1956, having Corporate Identification Number (CIN) U45202GJ2008PTC055380 with registered office at B 37/2/2, 5th Floor, Ajanta Commercial Centre, Income Tax Cross Road, Ashram Road, Ashram Road P.O, Ahmedabad, Ahmadabad City, Gujarat -380009, India. The authorized and paid-up share capital is Rs. 1,01,00,000/- as per Master Data available on MCA portal annexed with the Petition as Annexure-A/2.
4. On perusal of Part-III of the Form-1 reveals that the Financial Creditor has named ARCK Resolution Professionals LLP (IP Entity), having Reg. No. –



IBBI/IPE-0030/IPA-1/2022-23/50013, having address: 409, Ansal Bhawan, 16 K.G. Marg (Connaught Place), New Delhi-110001 (e-mail: insolvency@arck.in) under section 13 (1)(c) of the Code to act as Interim Resolution Professional (IRP). The written communication in Form-2 dated 27.11.2025 has been filed and annexed as Annexure A/3. There is nothing on record to indicate that any disciplinary proceedings are pending against the proposed IRP. The AFA of the proposed IRP is valid up to 31.12.2026 as per IBBI Website.

5. On perusal of Part-IV of Form-1, it is revealed that the total amount in default is Rs.13,11,27,85,247/- under two Term Loans namely Term Loan I amounting to Rs.12,14,23,67,738/-(as on 29.10.2025) and Term Loan II amounting to Rs. 41,50,02,895/-(as on 29.10.2025). The date of default is stated to be 12.03.2023 for Term Loan I and 11.03.2023 for Term Loan II.
6. The Applicant/Financial Creditor has placed the facts through this Company Petition in Part-IV & Part-V of Form-1 in the following manner:
 - I. It is submitted that the present petition is being filed by **Edelweiss Asset Reconstruction Company Limited** (acting in its capacity as a trustee of EARC Trust 453), hereinafter referred to as the "Financial Creditor," under Section 7 of the Insolvency and Bankruptcy Code, 2016. It is submitted that the petition seeks the initiation of the Corporate Insolvency Resolution Process (CIRP) against **Fortune Assets Private Limited**, hereinafter referred to as the "Corporate Debtor," on account of its failure to repay significant financial debt.
 - II. It is submitted that the Corporate Debtor, a company registered under the Companies Act, 1956, and engaged in the business of general construction, required funds in 2019 for the development of a commercial complex named "Parsvanath Mall" located at Plot No. 1 B-2, Twin District Centre, Sector 10, Rohini, Delhi. It is submitted that



the original lender, ECL Finance Limited, sanctioned a loan of Rs. 400,00,00,000/- (Rupees Four Hundred Crores only), designated as Term Loan I, via a sanction letter dated February 27, 2019.

- III. It is submitted that a Loan Agreement dated 01.03.2019 was executed between the parties. The Financial Creditor disbursed the funds for Term Loan I through multiple tranches, as evidenced by disbursement letters dated March 11, 2019, March 29, 2019, April 30, 2019, May 31, 2019, July 31, 2019, November 19, 2019, and December 10, 2019.
- IV. It is submitted that a second facility, Term Loan II, was sanctioned on December 30, 2019, with a corresponding Loan Agreement executed on January 3, 2020, and a disbursement letter issued on January 27, 2020. It is submitted that the debt was secured by various instruments, including a Demand Promissory Note dated March 1, 2019, and an Escrow Agreement of the same date.
- V. It is submitted that further security was provided through a Deed of Hypothecation dated January 3, 2020, and an Agreement for Pledge of Shares dated April 13, 2022.
- VI. It is submitted that the rights and interests in the loan were assigned through an Assignment Agreement dated June 25, 2020, and eventually to the present Applicant on April 3, 2023.
- VII. It is submitted that following persistent defaults, a Loan Recall Notice was issued on 22.09.2023, followed by a notice under Section 13(2) of the SARFAESI Act, 2002, on 06.11.2023.
- VIII. It is submitted that the Corporate Debtor provided a reply to these notices on May 17, 2024.
- IX. It is submitted that as per the NeSL Reports and a CIBIL Report dated February 6, 2026, the Corporate Debtor remains in default for an aggregate amount of Rs. 13,11,27,85,247/-. The total default amount is supported by the computation sheet annexed with the Petition.



- X. It is submitted that the Financial Creditor has proposed ARCK Resolution Professionals LLP to act as the Interim Resolution Professional (IRP), having obtained their consent on November 27, 2025. It is submitted that this petition is being filed on 07.02.2026, to seek appropriate relief under the Code.
7. The Financial Creditor has relied upon the following documents, which are as under: -
- I. A true copy of the Board Resolution dated 08.01.2026 – Annexure A/1.
 - II. A true copy of the Master Data of the Corporate Debtor as available on the website of Ministry of Corporate Affairs– Annexure A/2.
 - III. A True Copy of the Form-2 dated 27.11.2025 executed by IRP – Annexure A/3.
 - IV. A true copy of the sanction letter dated 27.02.2019– Annexure A/4.
 - V. A true copy of the Loan Agreement dated 01.03.2019 Annexure A/5.
 - VI. True copies of disbursement letters dated 11.03.2019, 29.03.2019, 30.04.2019, 31.05.2019, 31.07.2019, 19.11.2019 and 10.12.2019 in respect of Term Loan I – Annexure A/6.
 - VII. A true copy of the sanction letter dated 30.12.2019– Annexure A/7.
 - VIII. A True Copy of the Loan Agreement dated 03.01.2020. Annexure A/8.
 - IX. A true copy of Disbursement Letter dated 27.01.2020 in respect of the term Loan II the Loan Agreement dated 03.01.2020 is– Annexure A/9.
 - X. A true copy of the Assignment Agreement dated 25.06.2020 – Annexure A/10.
 - XI. A true copy of the Assignment Agreement dated 03.04.2023 – Annexure A/11.

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- XII. A true copy of the Statement of Accounts of the Corporate Debtor under the Term Loans- Annexure A/12.
- XIII. A true copy of the Loan Recall Notice dated 22.09.2023- Annexure-A/13
- XIV. A true copy of the Notice dated 06.11.2023 under Section 13(2), SARFAESI Act, 2002, along with postal tracking report- Annexure A/14 (Colly).
- XV. A true copy of the Reply dated 17.05.2024 sent by the Corporate Debtor to the Financial Creditor – Annexure A/15.
- XVI. A true copy of the Demand Promissory Note dated 01.03.2019 executed by the Corporate Debtor – ANNEXURE – A/16.
- XVII. A true copy of the Escrow Agreement between the Financial Creditor and the Corporate Debtor dated 01.03.2019 – ANNEXURE – A/17
- XVIII. A true copy of the Pledge Letter executed by Mr. Kamlesh Tripathi and Mrs. Nili Tripathi – ANNEXURE – A/18
- XIX. A true copy of the Deed of Hypothecation dated 03.01.2020- ANNEXURE – A/19
- XX. A true copy of the Agreement for Pledge of Shares dated 13.04.2022-ANNEXURE – A/20
- XXI. A true copy of the Security Sharing Agreement dated 03.01.2020 executed by the Corporate Debtor – ANNEXURE – A/21
- XXII. A true copy of the Demand Promissory Note dated 03.01.2020 executed by the Corporate Debtor – ANNEXURE – A/22
- XXIII. A true copy of the Memorandum of Entry dated 06.01.2020 – ANNEXURE – A/23
- XXIV. A true copies of the NeSL Reports for the Term Loans – ANNEXURE – A/24 (COLLY)
- XXV. A true copy of CIBIL Report dated 06.02.2026 – ANNEXURE – A/25
- XXVI. A true copies of the Balance Sheets of the Corporate Debtor for the Financial Years 2023- 2024 and 2024-2025 – ANNEXURE – A/26 (COLLY)



8. That vide order dated 11.03.2026 Notice of the Company Petition was issued by this Tribunal and service was directed through Registered Post, Speed Post, Dasti mode and registered email ID of the Corporate Debtor as per MCA records.
9. In compliance thereof, the Applicant/Financial Creditor has filed a Service Affidavit on 18.03.2026 vide Inward No. D 2447, placing on record the proof of service. The notice sent through e-mode on the Registered email ID of the Respondent / Corporate Debtor on 11.03.2026 along with complete paper book. Further, notice was also served through Dasti Mode against the acknowledgement which was accepted by one CA. However, the notice sent through Electronic Mode at the registered E-mail ID of the Corporate Debtor as per MCA records was duly delivered on 11.03.2026.
10. This Tribunal is satisfied that service through registered E-mail ID constitutes valid and sufficient service in the facts and circumstances of the case. The Authorized Officer has clarified the circumstances of service attempts through Speed Post and Dasti mode as well as affixation of notice and this Tribunal is satisfied that reasonable and sufficient service has been effected upon the Corporate Debtor through E-mode at registered E-mail ID.
11. Despite due service, the Corporate Debtor has neither appeared nor filed any reply/objection disputing the existence of financial debt and default. Accordingly, the right of the Corporate Debtor to file reply stands closed and the matter is proceeded **ex-parte** against the Corporate Debtor.
12. When the matter was taken up for hearing today, learned counsel appearing for the Applicant/Financial Creditor reiterated the contents of the petition and relied upon the documents placed on record including the sanction letters, statement of account and the Record of Default issued by the Information Utility. None appeared on behalf of the



Respondent/Corporate Debtor despite due service and the matter was accordingly heard *ex-parte*.

13. We have heard Ld. Counsel for the Financial Creditor, Ex-parte against the Corporate Debtor, and considered the submissions of the Financial Creditor and perused the material on record.
14. On perusal of the material available on record, it is evident that the Corporate Debtor was granted Loan facilities by the ECL Finance Limited ("Original Lender") to the tune of Rs.400,00,00,000/- which was later on taken over by the present Applicant / Financial Creditor. However, after availing the said facilities the Corporate Debtor failed to adhere to the financial discipline.
15. The Corporate Debtor committed default in repayment on 11.03.2023 and 12.03.2023 and the account was classified as Non-Performing Asset (NPA). Thereafter, following persistent defaults, a Loan Recall Notice was issued on September 22, 2023, followed by a notice under Section 13(2) of the SARFAESI Act, 2002, on November 6, 2023. The total amount in default as on 15.01.2026 is Rs.13,11,27,85,247/- comprising principal outstanding and accrued interest as reflected in the computation sheet annexed with the Company Petition.
16. The Financial Creditor has also filed Form-D being record of debt and default issued by National E-Governance Services Limited (NeSL) wherein the date of default is recorded as 03.04.2023 with status "Deemed to be Authenticated" which is annexed as Annexure-24. The Record of Default issued by the Information Utility satisfies the requirement under Section 7(3)(a) of the Code. The variation in the dates of default as reflected in the loan accounts and the Information Utility record does not affect the continuous nature of default, which stands established from the material on record including the statement of account and record of default.



17. The Hon'ble NCLAT, in ***Milind Kashiram Jadhav v. State Bank of India and Anr., (2024) ibclaw.in 273 NCLAT*** has also upheld the evidentiary value of the Record of Default ("RoD") generated from the Information Utility in Form-D, for the purpose of establishing occurrence of default under Section 7 of the Code. The relevant extract of the said judgment is reproduced herein below: -

"73. Furthermore, the Bank has diligently presented evidence of default through NESL Certificates, submitting them before the National Company Law Tribunal (NCLT) along with comprehensive Written Arguments dated 09.03.2023. NESL Certificates stand as concrete manifestations of default, providing a clear and indisputable record of the debtor's failure to meet its financial obligations. Section 7(3)(a) states that "the Financial Creditor shall, along with the application furnish – (a) record of the default recorded with the information utility or such other record or evidence of default as may be specified;" and in this case record of default with the information utility was filed and is on record. In such a case there is no relevance of other documents as claimed by the Appellant and Admission cannot be disallowed on this ground."

(Emphasis Supplied)

18. This Tribunal has considered the legal framework under Section 7 of the IBC, which requires the establishment of a financial debt and a default by the Corporate Debtor. It is settled law that at the stage of admission under Section 7 of the Code, the Adjudicating Authority is required to ascertain the existence of a financial debt and occurrence of default from the record of the Information Utility or other material on record (***Innoventive Industries Ltd. v. ICICI Bank Ltd.; E.S. Krishnamurthy v. Bharath Hi Tech Builders Pvt. Ltd.; M. Suresh Kumar Reddy v. Canara Bank; Power Trust v. Bhuvan Madan, 2026***). The scope of enquiry is summary in nature.
19. 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. The Record of Default issued by the Information Utility constitutes sufficient evidence under Section 7(3)(a) of the Code.

20. In the present case, the financial debt and default stand established on the basis of documentary evidence and remain unrebutted due to non-appearance of the Corporate Debtor.
21. The present Petition is complete in terms of Section 7 (5) of the Code. The Tribunal finds that the Financial Creditor has 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, which is supported by comprehensive documentation.
22. In light of the above findings, this Tribunal is satisfied that the Financial Creditor is entitled to the relief as sought. The Corporate Debtor's default, coupled with its non-appearance despite due service, justifies the admission of the petition and the initiation of CIRP under the Code. Hence, the Application filed under section 7 of the Insolvency and Bankruptcy Code for initiation of corporate insolvency resolution process (CIRP) against the Respondent/Corporate Debtor deserves to be admitted.
23. Accordingly, in light of the above facts and circumstances, it is, hereby ordered as under: -
 - (i) The Respondent/Corporate Debtor – **M/s Fortune Assets Private Limited** is **admitted** in the Corporate Insolvency Resolution Process (**CIRP**) under section 7 of the IBC, 2016.



- (ii) As a consequence thereof, a moratorium under Section 14 of the Insolvency and Bankruptcy Code, 2016 is declared for prohibiting all of the following in terms of Section 14(1) of the Code.
- 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 the possession of the Corporate Debtor.*
 - e. *The provisions of sub-Section (1) shall however, not apply to such transactions, agreements as may be notified by the Central Government in consultation with any financial sector regulator and to a surety in a contract of guarantee to a Corporate Debtor. The moratorium does not apply to transactions notified by the Central Government, as per Section 14(3)(a) of the IB Code, 2016.*
- (iii) The order of moratorium under section 14 of the Code shall come to effect from the date of this order till the completion of the Corporate Insolvency Resolution Process or until this Adjudicating Authority approves the Resolution Plan under sub-section (1) of section 31 or passes an order for liquidation of the Corporate Debtor under Section 33 of the IBC 2016, as the case may be.
- (iv) However, in terms of Section 14(2) to 14(3) of the Code, the supply of essential goods or services to the Corporate Debtor



as may be specified, if continuing, shall not be terminated or suspended, or interrupted during the moratorium period.

- (v) As proposed by the Financial Creditor, we appoint **ARCK Resolution Professionals LLP (IP Entity)** having Registration No. IBBI/IPE-0030/IPA-1/2022-23/50013, having address: 409, Ansal Bhawan, 16 K.G. Marg (Connaught Place), Ahmedabad 110001 (e-mail: insolvency@arck.in) under section 13 (1)(c) of the Code to act as Interim Resolution Professional (**IRP**). He shall conduct the Corporate Insolvency Process as per the Insolvency and Bankruptcy Code, 2016 r.w. Regulations made thereunder.
- (vi) The IRP so appointed shall make a public announcement (e.g., newspapers, websites) under Regulation 6(2) of IBBI Regulations, 2016, of the initiation of the Corporate Insolvency Resolution Process and call for submissions of claims under section 15 within three days of appointment as per Regulation 6 of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016, as required by Section 13(1)(b) of the Code.
- (vii) The IRP shall perform all his functions as contemplated, inter-alia, by sections 17, 18, 20 and 21 of the Code. It is further made clear that all personnel connected with the Corporate Debtor, its promoters, or any other person associated with the management of the Corporate Debtor are under legal obligation as per section 19 of the Code to extend every assistance and cooperation to the IRP. Where any personnel of the Corporate Debtor, its promoters, or any other person required to assist or co-operate with IRP, do not assist or cooperate, the IRP is at liberty to make appropriate application



to this Adjudicating Authority with a prayer for passing an appropriate order.

- (viii) The IRP is expected to take full charge of the Corporate Debtor's assets and documents without any delay whatsoever within seven days of this order. He is also free to take police assistance in this regard, and this Court hereby directs the Police Authorities to render all assistance as may be required by the IRP in this regard.
- (ix) The IRP shall be under a duty to protect and preserve the value of the property of the 'Corporate Debtor company' and manage the operations of the Corporate Debtor company as a going concern as a part of the obligation imposed by section 20 of the Code.
- (x) The IRP or the RP, as the case may be, shall submit to this Adjudicating Authority a periodical report with regard to the progress of the CIRP in respect of the Corporate Debtor.
- (xi) We direct the Financial Creditor to pay IRP a sum of **Rs.5,00,000/- (Rupees Five Lakh Only)** in advance exclusive of applicable taxes, within 7 days from the date of this order to meet the initial costs of the CIRP, including issuing public notice and inviting claims, as per Regulation 33(1) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016. This amount shall be adjustable against the IRP's fees and expenses as approved by the Committee of Creditors (CoC) under Regulation 33(3), with any excess refundable to the Financial Creditor or shortfall recoverable from the Corporate Debtor's estate as CIRP costs.
- (xii) The Registry is directed to communicate this order to the Financial Creditor, Corporate Debtor, and to the Interim



Resolution Professional, the concerned Registrar of Companies and the Insolvency and Bankruptcy Board of India after completion of necessary formalities, within seven working days, and upload the same on the website immediately after pronouncement of the order. The Registrar of Companies shall update the Corporate Debtor's Master Data on the MCA portal to reflect its status as 'under Corporate Insolvency Resolution Process' within 7 working days of receiving this order and submit a compliance report to the Registrar, NCLT, within 14 working days.

(xiii) The public announcement under Regulation 6(2) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016, shall be published in at least one English (national edition) and one vernacular newspaper with wide circulation in the state of the Corporate Debtor's registered office (Gujarat) and on the Corporate Debtor's website, if any, as per Form A of the said Regulations.

(xiv) The commencement of the Corporate Insolvency Resolution Process shall be effective from the date of this order.

24. Accordingly, this Application **CP(IB)/87/7/AHM/2026** is hereby **admitted**. Order is dictated and pronounced in open court. A certified copy of this order may be issued, if applied for, upon compliance with all requisite formalities.

SANJEEV SHARMA
MEMBER (TECHNICAL)

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SHAMMI KHAN
MEMBER (JUDICIAL)