



**NATIONAL COMPANY LAW TRIBUNAL  
CUTTACK BENCH**

**CP(IB) No. 32/CB/2025**

*(Under Section 7 of the Insolvency and Bankruptcy Code, 2016)*

**In the matter of:**

**TATA CAPITAL LIMITED**

(Transferee of Tata Capital Financial Services Limited).

Having its registered office at 11th Floor, Tower A,

Peninsula Business Park, Ganpatrao Kadam Marg,

Lower Parel, Mumbai 400013 and

at DN 52, Salt Lake, Sector- V, Kolkata 700091

**.....FINANCIAL CREDITOR**

**And**

**In the matter of:**

Sustainable Outreach and Universal Leadership Soul Limited,

Having its Registered Office at Plot No-E/42/D,

Chandaka Industrial Estate, KIIT, Khorda,

Bhubaneswar, Orissa, India, 751024.

**.....CORPORATE DEBTOR/RESPONDENT**

**ORDER PRONOUNCED ON: 16.01.2026**

**CORAM: DEEP CHANDRA JOSHI, MEMBER JUDICIAL  
BANWARI LAL MEENA, MEMBER TECHNICAL**

**FOR APPEARANCE:**

**FOR APPLICANT: MS ANKITA AGRAHARI, ADVOCATE**

**FOR RESPONDENT: SET EXPARTE**

**ORDER**

**PER: BANWARI LAL MEENA, MEMBER (TECHNICAL)**

1. The present petition has been filed by Tata Capital Limited (Transferee of Tata Capital Financial Services Limited), the Financial Creditor, under Section 7 of the Insolvency and Bankruptcy Code, 2016, seeking initiation of the Corporate Insolvency Resolution Process against Sustainable Outreach and Universal Leadership (Soul) Limited, the Corporate Debtor.

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2. The Financial Creditor is a Non-Banking Financial Company duly registered with the Reserve Bank of India under the provisions of the Reserve Bank of India Act, 1934. The Corporate Debtor is a company incorporated under the provisions of the Companies Act, 1956 with registered office at Bhubaneswar, Odisha.

**AVERMENTS MADE BY THE APPLICANT IN THE APPLICATION**

3. It is stated that the Financial Creditor was approached by the Corporate Debtor for financial assistance and finance facilities from time to time, which were sanctioned in favour of the Corporate Debtor; in furtherance of which, a credit facility in the nature of **Channel Finance** was applied for vide application dated **10.05.2024** for the procurement of inventory from the Corporate Debtor's Distributor/Supplier/Manufacturer, i.e. Redington (India) Limited.

4. Relying upon the representations put forth by the Corporate Debtor and believing the same to be true, a loan facility in the nature of **Channel Finance** was sanctioned by the Financial Creditor via Sanction Letter dated **23.05.2024**. The said facility was sanctioned to the tune of **Rs. 2,50,00,000/-** at an interest rate of **10.90% p.a.** for a tenure of **12 months** from the date of sanction for the aforesaid purpose.

5. As per the aforesaid sanction, a **Loan cum Guarantee** for Channel Finance dated **29.05.2024** was entered into by the parties, to be read with the Registered Master Terms and Conditions for Channel Finance dated 31.12.2018. Furthermore, the terms and conditions of the said credit facility were agreed to be abided by the Corporate Debtor through an undertaking also dated 29.05.2024.

6. It is submitted that, at the request of the Corporate Debtor, the entire loan amount was timely disbursed by the Financial Creditor and utilized by the Corporate Debtor. It is further submitted that the repayment schedule has not been adhered to, and despite several reminders issued by the Financial Creditor, continuous defaults in the

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repayment of outstanding amounts have been committed by the Corporate Debtor.

7. The Corporate Debtor was consistently persuaded and requested by the Financial Creditor to make payments of the dues and regularize the account under the said Channel Finance Facility, in terms of the Loan cum Guarantee for Channel Finance dated 29.05.2024 read with the Registered Master Terms and Conditions for Channel Finance dated 31.12.2018; however, the payment has been failed and neglected to be made by the Corporate Debtor.

8. It is submitted that, by reason of the aforementioned defaults, the account of the Corporate Debtor was classified as a **Non-Performing Asset (NPA)** as on **10.02.2025** in the books of the Financial Creditor as per RBI extant guidelines; accordingly, an amount of **Rs. 2,44,40,883.37/-** as on **28.04.2025**, together with interest, costs, charges, and expenses from 29.04.2025 until payment and/or realization thereof, is due and payable by the Corporate Debtor in terms of the said Loan cum Guarantee for Channel Finance dated 29.05.2024 read with the Registered Master Terms and Conditions for Channel Finance dated 31.12.2018.

9. It is submitted that, in view of the aforementioned, no other choice was left with the Financial Creditor but to recall the entire Facility; accordingly, the entire Facility was recalled by the Financial Creditor vide a **Notice for Recall of Loan and Invocation of Arbitration** dated **21.02.2025**. It was further stipulated vide the said notice that the failure of the Corporate Debtor to make payment constituted an event of default, by reason of which the Financial Creditor has become entitled to the then outstanding amount along with interest, additional interest, costs, charges, and expenses until payment and/or realization.

10. Even after the receipt of the Notice for Recall of Loan and Invocation of Arbitration dated 21.02.2025, the repayment of

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outstanding dues and the regularization of the account were neglected by the Corporate Debtor; which evinces malafide intention on the part of the Corporate Debtor and its Directors to avoid making payments due and payable to the Financial Creditor.

**11.** In view of the continuous defaults, the right to invoke arbitration was exercised by the Financial Creditor via notice dated **17.03.2025** under Section 21 of the Arbitration and Conciliation Act, 1996, in terms of the governing agreements. By way of the said notice, the Corporate Debtor was called upon to consent to the appointment of a Sole Arbitrator to adjudicate the disputes arising from the said Facility; which notice was duly served upon and received by the Corporate Debtor at the addresses mentioned in the cause title.

**12.** It is submitted that, following the receipt of the notice dated **17.03.2025** under Section 21 of the Arbitration and Conciliation Act, 1996, no reply was issued nor was any payment made by the Corporate Debtor. Consequently, an application under **Section 11** of the said Act, being **A.P. (COM) 392 of 2025**, was filed by the Financial Creditor before the **Hon'ble High Court at Calcutta**. It is further submitted that during the proceedings on **15.05.2025**, a prayer for time was made by the Advocate appearing for the Corporate Debtor on the ground of a proposed settlement; and as recorded in the Order dated **15.05.2025**, a submission was made regarding the likelihood of a one-time settlement proposal being sent by the Corporate Debtor by **31.05.2025**.

**13.** It is submitted that, despite the Corporate Debtor being repeatedly apprised by the Financial Creditor of the mounting overdues and the legal consequences of non-payment, the outstanding dues remain unpaid. Notwithstanding these consistent reminders and the opportunities provided for regularization, a conscious choice has been made by the Corporate Debtor to persist in its default toward the Financial Creditor.

**14.** Under the aforementioned circumstances, the Financial Creditor has filed the present application under Section 7 of the Insolvency and

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Bankruptcy Code, 2016. The initiation of the Corporate Insolvency Resolution Process sought for the recovery of the default sum of **Rs. 2,44,40,883.37/-** as on 28.04.2025, together with further interest, costs, charges, and expenses from 29.04.2025 until payment and/or realization thereof.

**ANALYSIS AND FINDINGS:**

**15.** The respondent herein was set ex parte vide order dated 04.11.2025. We have heard the learned counsel appearing for the applicant and perused the documents brought on record. The applicant had extended a credit facility in the nature of Channel Finance of Rs. 2,50,00,000/- at 10.9% p.a. for a period of 12 months vide sanction letter dated 23.05.2024 in pursuance of such sanction letter a loan cum guarantee agreement was executed between the parties on 29.05.2024 read with the registered master terms and conditions for Channel Finance dated 31.12.2018. The credit facility was disbursed to the respondent in two tranches i.e. on 14.08.2024 and 04.10.2024. The applicant has averred that the respondent failed to adhered to the repayment schedule and even after multiple request and reminders sent by the applicant, the respondent continued to default in repaying the outstanding amount.

**16.** It is seen from the record that the loan account of the respondent was declared as Non-Performing Asset (NPA) on 10.02.2025 and a loan recall notice-cum invocation or arbitration notice was sent to the respondent on 21.02.2025. It is the case of the applicant that as on 28.04.2025 the total outstanding amount due from the respondent is Rs. 2,44,40,883. 37 (Rupees Two Crore Forty-Four Lakh Forty Thousand Eight Hundred Eighty-Three and Thirty-Seven Only) which is inclusive of interest and Penal Charges.

**17.** Upon perusal of the sanction letter, loan cum guarantee agreement and registered master terms and conditions for Channel Finance, it is noted that interest on the credit facility was to be repaid

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on a monthly rest basis and principle was to be paid within 90 days of disbursement of each tranche. The first tranche of disbursal amounting to Rs. 1,25,95,120/- (One Core Twenty-Five Thousand Ninety Thousand Five Thousand One Hundred Twenty) was made by the applicant on 14.08.2024. It is seen from the statement of loan account of the respondent that in terms of the loan agreement interest was repaid by the respondent in its entirety as and when it accrued.

As per the terms and conditions of the repayment the principal amount was to be repaid within 90 days from the date of disbursal of each tranche and since Rs. 1,25,95,120/- which was disbursed on 14.08.2024 ought to have been repaid by 12.11.2024 i.e. 90 days from 14.08.2024 but it is evident from the statement of the account of the respondent that the same was not repaid within time and hence the respondent committed default on 12.11.2024. The second tranche of disbursal was made on 04.10.2024 and hence the second tranche was also supposed to be repaid by 02.01.2025 but as evident from the statement of account the same remains unpaid till date. Hence, it is conclusively established that the respondent has committed a default on 12.11.2024 and had continue to default till the date of the application. It is also noted that the amount in default exceeds the requisite threshold under Section 4 of the Code and the present application has been filed well within the period of limitation.

**18.** At the stage of admission of an application under Section 7 of the Code, the scope of inquiry of the Adjudicating Authority is confined to ascertaining the existence of a financial debt and the occurrence of default. Once these foundational facts are established and the application is found to be complete and within limitation, admission of the application is mandatory in terms of Section 7(5)(a) of the Code, as held by the Hon'ble Supreme Court in **M. Suresh Kumar Reddy v. Canara Bank & Others.**

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19. In light of the above observations recorded hereinabove **CP(IB) No.32/CB/2025** by TATA Capital Ltd. against Sustainable Outreach and Universal Leadership Ltd. is hereby **ALLOWED** and the Corporate Debtor is **ADMITTED into CIRP** and accordingly the following orders are passed:

- a. A **moratorium** is declared under Section 14 of the Insolvency and Bankruptcy Code, 2016, prohibiting the following actions in terms of Section 14(1) of the Code:
  - i. 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;
  - ii. Transferring, encumbering, alienating or disposing of by the Corporate Debtor any of its assets or any legal right or beneficial interest therein;
  - iii. 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;
  - iv. The recovery of any property by an owner or lessor where such property is occupied by or in the possession of the Corporate Debtor.
- b. The moratorium shall remain in force from the date of this order till the completion of the Corporate Insolvency Resolution Process or until this Adjudicating Authority approves a resolution plan under Section 31(1) of the Code or passes an order for liquidation of the Corporate Debtor under Section 33 of the Code, whichever is earlier.

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c. As proposed by the Financial Creditor, **Mr. Vikky Dang** having registration no. **IBBI/IPA-003/IP-No 00359/2021- 22/13763**, having address at **B-41, 2<sup>nd</sup> Floor, Vishnu garden, Part-I, New Delhi-110018**, and email **vikkydang@gmail.com**, is hereby appointed as Interim Resolution Professional (IRP) of the Corporate Debtor to carry out the functions as per the Code, subject to his possessing a valid Authorisation for Assignment (AFA) in terms of Regulation 7A of the Insolvency and Bankruptcy Board of India (Insolvency Professional) Regulations, 2016.

**20.** The Interim Resolution Professional shall be appointed separately in accordance with the provisions of the Insolvency and Bankruptcy Code, 2016 and the rules and regulations made thereunder, subject to confirmation of possession of a valid Authorisation for Assignment in terms of Regulation 7A of the Insolvency and Bankruptcy Board of India (Insolvency Professionals) Regulations, 2016.

**21.** The Interim Resolution Professional so appointed shall make a **public announcement** of the initiation of the Corporate Insolvency Resolution Process and call for submission of claims in terms of Section 15 read with Section 13(1)(b) of the Code.

**22.** The supply of essential goods or services to the Corporate Debtor, if continuing, shall not be terminated, suspended or interrupted during the moratorium period. The Corporate Debtor shall extend full assistance and cooperation to the Interim Resolution Professional in discharge of his duties as and when he takes charge of the assets and management of the corporate debtor.

**23.** The IRP shall perform all its functions as contemplated, inter alia, by Sections 17, 18, 20 & 21 of the Code. It is further made clear that all personnel connected with Corporate Debtor, its Promoter or any other person associated with the management of the Corporate Debtor

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are under a legal obligation under Section 19 of the Code to extend every assistance and co-operation to the Interim Resolution Professional. Where any personnel of the Corporate Debtor, its Promoter, or any other person is required to assist or co-operate with IRP, but does not assist or co-operate, the IRP is at liberty to make an appropriate application to this Adjudicating Authority with a prayer for passing an appropriate order.

**24.** The IRP shall be under a duty to protect and preserve the value of the property of the Corporate Debtor and manage the operations of the Corporate Debtor as a going concern as a part of the obligation imposed by Section 20 of the Insolvency & Bankruptcy Code, 2016.

**25.** The Interim Resolution Professional / Resolution Professional shall submit **periodic progress reports** before this Adjudicating Authority in accordance with the provisions of the Code and the regulations framed thereunder.

**26.** The Financial Creditor shall deposit an initial amount of **Rs.2,00,000/- (Rupees Two Lakhs Only)** within **3 days** from the date of receipt of this order towards the expenses of the Corporate Insolvency Resolution Process. Proof of such deposit shall be filed before this Adjudicating Authority along with the first progress report. The Interim Resolution Professional shall be at liberty to seek further interim finance, as required, in accordance with law.

**27.** In terms of Section 7(7)(a) of the Code, the Registry is directed to communicate a copy of this order to the Financial Creditor, the Corporate Debtor, the Interim Resolution Professional and the concerned Registrar of Companies within seven working days and upload the same on the website of this Tribunal immediately after pronouncement.

**28.** The Interim Resolution Professional shall also serve a copy of this order upon statutory authorities including the Income Tax Department,

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GST authorities, State Commercial Tax Department, Provident Fund authorities and such other authorities as may have claims against the Corporate Debtor, as well as employees or workmen associations, if any.

**29.** The Corporate Insolvency Resolution Process shall commence from the date of this order.

**30.** The Resolution Professional shall submit reports and compliances before this Adjudicating Authority strictly in accordance with the timelines prescribed under the Insolvency and Bankruptcy Code, 2016 and the regulations made thereunder.

**31.** The application bearing **C.P. (IB) No. 32/CB/2025** stands accordingly **ALLOWED**.

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**BANWARI LAL MEENA**  
**MEMBER (TECHNICAL)**

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**DEEP CHANDRA JOSHI**  
**MEMBER (JUDICIAL)**