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

ITEM No.304
C.P.(IB)/265(AHM)2026

Under Section 7of IB Code, 2016

IN THE MATTER OF:

Union Bank of India ....**Applicant**
V/s
SE Transstadia Pvt Ltd ....**Respondent**

Order delivered on: 16/09/2026

C O R A M:

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

O R D E R
(Hybrid Mode)

The case is fixed for pronouncement of order. The order is pronounced in the open court, vide separate sheet.

-SD-
SANJEEV SHARMA
MEMBER (TECHNICAL)

-SD-
SHAMMI KHAN
MEMBER (JUDICIAL)

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

CP(IB)/265/7/AHM/2026

(An application 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: SE Transstadia Private Limited.

Union Bank of India
Through Authorised Signatory
Mr. Jitendra Kamath
Registered office at Bharat House,
Ground Floor, 104, M. S. Marg, Fort,
Mumbai, Maharashtra–400001.

...Applicant/Financial Creditor

VERSUS

SE Transstadia Private Limited
(CIN: U74990GJ2008PTC065269)
Registered office at The Arena,
Near Kankaria Lake Gate No. 3,
Near Diwan Ballubhai School,
Kankaria, Ahmedabad, Gujarat-380022.

...Respondent/Corporate Debtor

Petition first listed on 01.09.2026
Order Pronounced On: 16.09.2026
(Decided in 15 days)

C O R A M:

SH. SHAMMI KHAN, HON'BLE MEMBER (JUDICIAL)
SH. SANJEEV SHARMA, HON'BLE MEMBER (TECHNICAL)

A P P E A R A N C E:

For the Applicant/FC : Mr. Amey Hadwale, Advocate.
For the Respondent/CD : Mr. Jay Kansara, Advocate.

O R D E R
Per Bench

1. This Company Petition, registered on **31.08.2026**, has been filed by **Union Bank of India** (hereinafter referred to as **"Financial Creditor"**) against **SE Transstadia Private Limited** (hereinafter referred to as "**Corporate Debtor**") under Section 7 of the Insolvency and Bankruptcy Code, 2016 (hereinafter referred to as "IBC, 2016") read with Rule 4 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 (hereinafter referred to as "IB (AAA) Rules, 2016") seeking initiation of Corporate Insolvency Resolution Process ("CIRP") on account of default in repayment of financial debt. The Financial Creditor has stated the amount claimed in default as Rs.223,82,01,046/- as on 24.07.2026.

2. On perusal of Part-I of Form-1, it is seen that the Financial Creditor is **Union Bank of India**, a banking institution constituted under the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970, having its office at Bharat House, Ground Floor, 104, M. S. Marg, Fort, Mumbai, Maharashtra–400001. The Petition has been filed through Mr. Jitendra Kamath**,** Authorised Signatory, pursuant to the Power of Attorney/Authority Letter annexed with the Petition as **Annexure-A.**

3. On perusal of Part-II of Form-1, it is seen that the Corporate Debtor is **SE Transstadia Private Limited**, having CIN U74990GJ2008PTC065269, incorporated on 17.12.2008, with authorised share capital of Rs.2,20,00,00,000/- and paid-up share capital of Rs.2,14,92,92,400/-. Its registered office is situated at The Arena, Near Kankaria Lake Gate No. 3, Near Diwan Ballubhai School, Kankaria, Ahmedabad, Gujarat, India-380022. The Master Data extracted from the MCA portal is annexed as **Annexure-B.**

4. On perusal of Part-III of Form-1, it is seen that the Financial Creditor has proposed **Mr. Dinesh Kumar Aggarwal**, having Insolvency Professional Registration No. IBBI/IPA-002/IP-N00890/2019-2020/12843, e-mail **dinesh.aggarwal31@gmail.com**, to act as the Interim Resolution Professional ("IRP"). His written communication in Form-2, dated 21.03.2026, is annexed as **Annexure-C**. His Authorisation for Assignment was valid up to 30.06.2027, and Form-2 records that no disciplinary proceeding was pending against him.

5. On perusal of Part-IV of the Form-1 reveals that total defaulted amount dues as claimed by the Financial Creditor is Rs 213,08,37,179.04 as on 24.07.2026. The table shows a total of Rs.223,82,01,046/- consisting of Rs.76,02,91,686/- being principal and amount of Rs.128,33,48,603/- as normal interest and amount of Rs.19,45,60,756/- as penal interest up-to 24.07.2026.

The working/ Interest computation of the amount in default was annexed as Annexure "F". The date of default/NPA as stated to be 31.12.2018.

6. On perusal of Part-IV and Part-V of Form-1 reveals that the Financial Creditor has placed the facts though this Petition in the following manner: -

6.1 The financial debt arises from consortium lending by Bank of Baroda, Bank of India and Union Bank of India for the Corporate Debtor's project at Kankaria, Maninagar, Ahmedabad. The Applicant-Union Bank of India sanctioned Term Loan-I of Rs. 75,00,00,000 on 28.01.2014.

6.2 Term Loan-I was renewed on 11.09.2015 and Term Loan-II of Rs. 10,76,00,000 was sanctioned on 02.12.2016. The facilities were renewed on 02.06.2018 and are stated in the Petition as Rs. 68,91,00,000 and Rs. 7,54,00,000 respectively. Copies of the sanction letters are annexed as Annexure-D.

6.3 The financial facilities were provided through separate loan accounts. Term Loan-I was maintained in A/c No. 378906390034145 and Term Loan-II was maintained in A/c No. 378906390034179. The loan account statements record disbursements and interest entries are annexed as Annexure-E. The working and interest computation of the amount in default as Annexure-F.

6.4 The financial debt is stated to be secured by mortgage over leasehold land measuring 37,388 sq. metres together with the building known as "The Arena" and by mortgage over plant and machinery situated therein. The charges were created on 23.07.2014.

6.5 The Applicant states that the Corporate Debtor failed to comply with the repayment obligations after disbursement of the loan facilities. The loan accounts were classified as Non-Performing Assets on 31.12.2018, which is also recorded as the date of default.

6.6 The Applicant issued a Demand Letter dated 04.01.2019 calling upon the Corporate Debtor to pay Rs. 76,02,91,686.27 within 3 days. The Petition states that the Corporate Debtor did not discharge the amount demanded. A copy of the Demand Letter is annexed as Annexure-G.

6.7 The Applicant thereafter issued a Notice dated 08.02.2021 for invocation of guarantees and enforcement of securities for Rs. 76,02,91,686.27 and called upon the Corporate Debtor to make payment within 3 days from receipt of the notice which is annexed as Annexure-H.

6.8 The Corporate Debtor, through its advocates, replied to the notice by letter dated 12.02.2021 and referred to the delay in appointment of the rating agency for conducting the TEV study. The Corporate Debtor requested withdrawal of the notice which is annexed as Annexure-I.

6.9 Bank of Baroda, as Lead Bank, issued a demand notice under Section 13(2) of the SARFAESI Act on 15.04.2023 for the consortium dues which is annexed as Annexure-J. The Petition states the total demand as Rs. 5,06,28,11,937 and the amount stated against Union Bank of India as Rs. 85,76,00,000.

6.10 The Applicant states that the Corporate Debtor acknowledged the debt through Revival Letters dated 03.06.2017, 06.05.2022 and 03.05.2025 and through audited balance sheets relied upon by the Applicant which are annexed as Annexure-K. The Applicant relies upon such acknowledgments for computation of limitation.

6.11 The Applicant relies upon Section 18 of the Limitation Act, 1963 and the judgment in In *Re: Cognizance for Extension of Limitation, Suo Motu* Writ Petition (C) No. 3 of 2020, in support of its computation of limitation. The Petition states that the period from 15.03.2020 to 28.02.2022 was excluded.

6.12 The Applicant states that the amount in default as on 24.07.2026 is Rs.223,82,01,046. The computation comprises principal, normal interest and penal interest in respect of the loan facilities which is as Annexure-F.

6.13 The computation table relied upon by the Applicant records principal of Rs. 76,02,91,686, normal interest of Rs. 1,28,33,48,603 and penal interest of Rs. 19,45,60,756. The total appearing in the table is Rs. 2,23,82,01,046.

6.14 The Form D issued by the Information Utility records the debt as financial debt, Debt Reference No. 378906390034145, sanctioned debt of Rs. 75,00,00,000, total outstanding amount of Rs. 1,22,43,76,551 and amount overdue of Rs. 1,22,43,76,551.

6.15 The Form D records the Date of Default as 31.12.2018 and the Status of Authentication of Default as AUTHENTICATED. Authentication was completed on 21.06.2026; the Record of Default also records the Corporate Debtor's authentication as AUTHENTICATED.

6.16 The Applicant has relied upon the documents annexed with the Company Petition as Annexure-A to Annexure-AA, including the authority letter, MCA records, Form-2, sanction letters, loan account statements, computation of default, demand and invocation notices, reply, SARFAESI demand notice, revival letters, Information Utility record and the loan and security documents.

7. That on issuance of the notice in the Company Petition, the Corporate Debtor has appeared and filed its reply on 07.09.2026 vide inward diary no. D-7575 denying various averments made in the Petition. The contentions of the Corporate Debtor are mentioned hereunder: -

7.1 The Respondent denies the allegations except those admitted and states that the Petition is not maintainable. The Reply is authorised by the Board Resolution dated 04.09.2026 and affirmed by Ms. Salma Safree. The Resolution is Annexure R1.

7.2 The Respondent states that it was incorporated for the Project under the Concession Agreement dated 14.06.2012 with the Industries and Mines Department, Government of Gujarat. The Project follows PPP and DBFOOT arrangements and the land is leased by the Government.

7.3 The Project includes a stadium, indoor arena, sports club, sports academy, sports medicine and science centre, gymnasium, swimming pool, retail area, banquet halls, restaurants, exhibition centre, parking, rooms, spa and training facilities. The Petitioner knew the Project purpose.

7.4 The Respondent raises the issue of limitation. It states that 31.12.2018 was pleaded as the default date and the Petition was filed around 12.08.2026. It states that the three-year period under the Limitation Act, 1963 read with Section 238A of the Code expired on 31.12.2021.

7.5 The Respondent disputes the revival letters dated 03.06.2017, 06.05.2022 and 03.05.2025. It states that the first predates default, the later letters followed expiry, and the latter two were addressed to an officer of Bank of Baroda.

7.6 The Respondent denies the alleged Revival Letter dated 31.05.2019 because it is not in Annexure K. It also disputes the balance sheets for 2019-20, 2020-21 and 2024-25 as acknowledgments without proof of authority, subsisting limitation and intention to acknowledge this debt.

7.7 The Respondent disputes the Petitioner's authorisation. It states that Mr. Jitendra Karnath relies on an Authority Letter dated 10.08.2026 from Mr. Shivnath Tripathy and not a Board Resolution, and requires proof of authority for filing the Section 7 application.

7.8 The Consortium Loan Agreement dated 28.07.2014 concerned the first facility of about Rs. 306,00,00,000. Clause 15 required 7 days of non-payment after due date and a further 7-day cure notice. The Respondent disputes 31.12.2018 as the resulting default date.

7.9 The First Supplemental Consortium Loan Agreement dated 03.06.2017 concerned the second facility of Rs. 43,19,00,000. Clause 8.1 provided a 60-day default period. The Respondent states that the two facilities required separate determination of default.

7.10 The Respondent states that the Petitioner equated default with NPA classification. It relies on Section 3(12) of the Code and refers to the Demand Letter dated 04.01.2019 and Notice dated 08.02.2021, which contain dates different from 31.12.2018.

7.11 The Respondent refers to the RBI Master Circular on Prudential Norms on Income Recognition and Asset Classification and states that NPA classification follows an overdue period exceeding 90 days. It disputes use of the NPA date as the default date.

7.12 The Respondent disputes the Bankers' Books Evidence Certificate dated 03.08.2026 and loan statements. It states that Section 2A of the Bankers' Books Evidence Act, 1891 and Section 63 of the Bharatiya Sakshya Adhiniyam, 2023 apply, while the certificate refers to Section 65B of the Indian Evidence Act, 1872.

7.13 The Respondent states that the certificate must address the bank's books, responsible accountant or branch manager, computer system and its operation. It denies compliance and disputes admissibility of the statements to prove debt or default.

7.14 The Respondent disputes the NeSL Form C record. It states that authentication by UserId SYSTEM on 21.06.2026 was system-generated, not an admission by the Corporate Debtor, and that Form D was not properly placed or separately verified.

7.15 The Respondent refers to paid-up capital of Rs. 2,14,92,92,400 and Project operations. It relies on the Facility Agreement dated 17.01.2025 for Rs. 25,00,00,000 and Government communication dated 03.09.2026 concerning Rs. 220,00,00,000. These are Annexure R2 (Colly.).

7.16 The Respondent states that the Petitioner holds mortgage, pledge and personal and corporate guarantees and pursues SARFAESI and DRT proceedings. The case status of Transfer Application No. 489 of 2023 is relied upon as Annexure R3.

7.17 The Respondent states that the same consortium dues were involved in Company Petition (IB) No. 264 of 2023 filed by Bank of Baroda and that it was settled and disposed of under Section 12A. Its case status is Annexure R4.

7.18 The Respondent states that consortium lenders participated in Joint Lender Meetings in 2025 and discussed restructuring and withdrawal of the earlier CIRP. The Minutes and NCLAT order dated

11.07.2025 in Company Appeal (AT) (Ins) Nos. 716 and 717 of 2024 are Annexure R5 (Colly.). The NCLAT record states that the lenders had agreed in principle to withdrawal subject to the restructuring process.

7.19 The Respondent relies on *Udit Harish Seth v. Bank of Baroda & Anr.*, Company Appeal (AT) (Ins) Nos. 716 & 717 of 2024, order dated 11.07.2025. It also refers to *Dharani Sugars and Chemicals Ltd. v. Union of India & Ors.*, (2019) 5 SCC 480, judgment dated 02.04.2019.

7.20 The Respondent submitted an OTS dated 01.09.2026 for Rs. 183,00,00,000 towards full and final settlement of consortium dues. Rs. 8,00,00,000 was in a no-lien account and Rs. 175,00,00,000 was proposed within 90 days after sanction. The OTS is Annexure R6 (Colly.).

7.21 The Respondent states that the Petitioner's email dated 02.09.2026 sought an improved OTS through the Lead Bank. It also states that a Joint Lenders Meeting occurred on 04.09.2026 and the proposal was under consideration, while the Petition continued. It describes this as inconsistent conduct. The Respondent has relied upon the OTS proposal dated 01.09.2026 and the email dated 02.09.2026 as Annexure R6 (Colly.).

7.22 The Respondent disputes the claimed default of Rs. 2,13,08,37,179.74, including normal interest of Rs. 1,28,33,48,603 and penal interest of Rs. 19,45,60,756. It disputes the acknowledgments, NeSL record and evidence certificates and seeks dismissal with costs. The Reply relies on Annexures R1 to R6.

8. The Financial Creditor has also e- filed a rejoinder on 10.09.2026 , denying most contentions raised by the Corporate Debtor in its reply. The contents of the Rejoinder are reproduced as follows: -

8.1 The Financial Creditor states that its authorised representative is empowered to affirm the Rejoinder and that the authority letter dated 10.08.2026 permits institution of insolvency proceedings and execution of pleadings. The Reply is denied except where admitted or supported by documents.

8.2 The Financial Creditor relies on amended Section 7(5)(a), effective from 26.05.2026, and submits that admission follows when default, completeness and absence of disciplinary proceedings against the proposed resolution professional are established. Project and land issues do not determine financial debt or default.

8.3 The earlier Section 7 proceeding in C.P. (IB) No. 264(AHM)/2023 was withdrawn under Section 12A to permit restructuring. The Financial Creditor states that the withdrawal did not discharge the debt and that the Corporate Debtor did not implement restructuring or repay the dues.

8.4 The limitation objection is denied. The Financial Creditor places the Revival Letter dated 31.05.2019 on record as Annexure BB and seeks leave to rely on it. It relies on *Dena Bank (now Bank of Baroda) v. C. Shivakumar Reddy* for additional documents in Section 7 proceedings.

8.5 The Revival Letters dated 31.05.2019, 06.05.2022 and 03.05.2025 refer to the consortium facilities, Union Bank of India and the continuing liability. The Financial Creditor submits that they were executed pursuant to Board Resolutions and constitute acknowledgments under Section 18 of the Limitation Act, 1963.

8.6 The Financial Creditor submits that addressing the Revival Letters to Bank of Baroda does not prevent reliance by Union Bank of India. Bank of Baroda acted as Lead Bank for the consortium, and Section 18 recognises an acknowledgment addressed to another person.

8.7 The Financial Creditor relies on audited financial statements for FY 2019-20, FY 2020-21 and FY 2024-25 recording the borrowing and liability. It relies on *Asset Reconstruction Company (India) Ltd.*

v. Bishal Jaiswal for balance-sheet acknowledgments under Section 18.

8.8 The Financial Creditor sets out acknowledgments from 31.12.2018, 31.05.2019, 16.12.2020, 10.11.2021, 06.05.2022, 03.05.2025 and 08.09.2025, together with exclusion from 15.03.2020 to 28.02.2022. It submits that the Petition is within limitation.

8.9 The Financial Creditor relies on the General Power of Attorney dated 27.04.2007, issued pursuant to Board Resolution dated 27.09.2006. Clauses 15, 16 and 26 authorise proceedings, including insolvency. The Power of Attorney is annexed as Annexure CC (Colly).

8.10 On amalgamation from 01.04.2020, the Financial Creditor relies on paragraph 4(8) of the Amalgamation Scheme, 2020, notified on 04.03.2020, which preserves subsisting powers of attorney. It also relies on the authority letter dated 10.08.2026 and *Rajendra Narottamdas Sheth & Anr. v. Chandra Prakash Jain & Anr.*

8.11 On default, the Financial Creditor relies on the Consortium Loan Agreement dated 28.07.2014, Supplemental Consortium Loan Agreement dated 03.06.2017 and Demand Letter dated 04.01.2019. It submits that contractual periods had expired before

31.12.2018 and unpaid instalments constituted default under Section 3(12).

8.12 The Financial Creditor submits that Clause 15.2 does not postpone instalments already due. It relies on borrower-wise NPA classification under RBI prudential norms and states that 31.12.2018 is recorded in the SARFAESI notice and financial statements.

8.13 The Financial Creditor addresses the reference to 29.12.2018 in the guarantee invocation notice dated 08.02.2021 and relies on 31.12.2018. It cites *Laxmi Pat Surana v. Union Bank of India* and *Milind Kashiram Jadhav v. State Bank of India*.

8.14 The NeSL Form D records for both term loans record 31.12.2018 as the default date and authentication on 21.06.2026. The Financial Creditor relies on Explanation II to Section 7(5) and annexes the verified records as Annexure DD2.

8.15 The Financial Creditor states that the Bankers' Books Evidence Certificate dated 03.08.2026 identifies the loan accounts, computation and extraction from Finacle. A further certification dated 08.09.2026 with the certificate under Section 63 of the Bharatiya Sakshya Adhiniyam, 2023 is annexed as Annexure DD1.

8.16 The Financial Creditor submits that assets, paid-up capital, business operations and proposed future funding do not answer financial debt and default under Section 7. It denies that the Petition is mala fide or an abuse of process.

8.17 The Financial Creditor states that security and recovery proceedings do not bar Section 7. It relies on *Canara Bank Ltd. v. Swaminarayan Diamonds Pvt. Ltd.* The JLM dated 02.04.2025 and order dated 26.08.2025 are annexed as Annexure EE.

8.18 The Financial Creditor states that the restructuring period expired on 26.02.2026. The JLM dated 20.05.2026, annexed as Annexure FF, records no concrete OTS proposal or confirmed amount and records approvals obtained by Union Bank of India and Bank of India to initiate proceedings.

8.19 The OTS proposal dated 01.09.2026 was rejected by the Financial Creditor by email dated 02.09.2026 and by all consortium lenders at the JLM dated 04.09.2026. The minutes are annexed as Annexure GG. The Financial Creditor states that no settlement was concluded.

8.20 On interest, the Financial Creditor relies on the computation filed with the Petition and submits that the principal default alone exceeds Rs. 1,00,00,000. It relies on *Innoventive Industries Ltd. v. ICICI Bank Ltd.*, *Rajesh Kedia v. Phoenix ARC Private Limited* and *Mr. Vineet Khosla v. M/s Edelweiss Asset*

Reconstruction Company Ltd. & Ors. It submits that exact quantum may be verified during CIRP.

8.21 The compilation contains *Dena Bank (now Bank of Baroda) v. C. Shivakumar Reddy*, (2021) 10 SCC 330; *Asset Reconstruction Company (India) Ltd. v. Bishal Jaiswal*, (2021) 6 SCC 366; *Rajendra Narottamdas Sheth & Anr. v. Chandra Prakash Jain & Anr.*, (2022) 5 SCC 600; *Laxmi Pat Surana v. Union Bank of India*, (2021) 8 SCC 481; *Milind Kashiram Jadhav v. State Bank of India*, Company Appeal (AT) (Insolvency) No. 1589 of 2023, decided on 25.04.2024, 2024 SCC OnLine NCLAT 534; and *M. Suresh Kumar Reddy v. Canara Bank*, Civil Appeal No. 7121 of 2022, decided on 11.05.2023, (2023) 8 SCC 387.

8.22 The compilation further contains *Canara Bank Ltd. v.* Swaminarayan *Diamonds Pvt. Ltd.*, C.P. (IB) No. 333/MB/2025, decided on 11.09.2025, 2025 SCC OnLine NCLT 5181; *Rajesh Kedia v. Phoenix ARC Private Limited*, Company Appeal (AT) (Insolvency) No. 996 of 2021; *Vineet Khosla v. Edelweiss Asset Reconstruction Company Ltd. & Ors.*, Company Appeal (AT) (Insolvency) No. 441 of 2019, decided on 06.09.2019, 2019 SCC OnLine NCLAT 487; *Rajendra Narayan Panda v. Shri Mangesh Vittal Kekre*, Company Appeal (AT) (Insolvency) No. 372 of 2025, decided on 13.02.2026; and *Bikram Bhadur v.*

Union Bank of India, Company Appeal (AT) (Insolvency) No. 1289 of 2024, decided on 05.12.2024.

9. The Corporate Debtor filed an additional Affidavit against the Rejoinder on 14.09.2026 vide inward diary no. D-7862. The contents of the said affidavit are produced hereunder: -

9.1 The Respondent adopts its Reply and denies the Rejoinder except as stated. It submits that the Section 7 Petition must be complete when filed and defects cannot be cured by documents filed with the Rejoinder.

9.2 The Respondent disputes the documents filed with the Rejoinder as Annexure “BB”, “CC”, “DD1”, “DD2”, “EE”, “FF” and “GG”. It disputes their execution, authority, authenticity, contents and effect and states that later filing cannot cure defects.

9.3 The Respondent submits that the Petition is barred by limitation. The Petitioner states 31.12.2018 as the date of default, limitation ended on 31.12.2021, and the Respondent denies any chain of acknowledgment after that date.

9.4 The Respondent disputes the Revival Letter dated 31.05.2019 because no Board Resolution authorising its signatories is produced. It also states that the letter was not filed with the Petition and disputes *Dena Bank v. C. Shivakumar Reddy,* (2021) 10 SCC 330.

9.5 The Respondent disputes the Revival Letters dated 06.05.2022 and 03.05.2025 addressed to Bank of Baroda as acknowledgments for Union Bank of India. It submits that Section 18 requires acknowledgment of liability to the creditor relying on it.

9.6 The Respondent disputes the balance-sheet entries as acknowledgments and relies on *Asset Reconstruction Company (India) Ltd. v. Bishal Jaiswal,* (2021) 6 SCC 366. It submits that the entries must be read with the notes and audit qualifications.

9.7 The Respondent disputes reliance on *In Re: Cognizance for Extension of Limitation, Suo Motu* Writ Petition (C) No. 3 of 2020. It submits that the period from 15.03.2020 to 28.02.2022 concerns filing limitation and does not create or extend an acknowledgment under Section 18.

9.8 The Respondent disputes the assertion that limitation extends to 08.09.2028 and submits that the said exclusion cannot revive a claim already time barred. It therefore submits that the Petition is barred by limitation.

9.9 The Respondent disputes the authority of the Petitioner's signatory and refers to the Authority

Letter dated 10.08.2026 stated to be issued by Mr. Shivnath Tripathy. It states that no authority in his favour is produced in the Petition or Rejoinder.

9.10 The Respondent disputes the General Power of Attorney dated 27.04.2007 because it was issued by Corporation Bank. It submits that Corporation Bank ceased to exist under the Scheme of Amalgamation dated 01.04.2020 and its Board stood dissolved.

9.11 The Respondent submits that the Scheme does not provide for continuation of the earlier authority in favour of the Petitioner. It also states that the purported Board Resolution dated 27.09.2006 is not part of the Power of Attorney or produced with the Rejoinder.

9.12 The Respondent disputes the stated date of default because the contractual periods differ between the facilities. It refers to 30.09.2018, 29.12.2018 and 31.12.2018 and submits that NPA classification is not the date of default under Section 3(12) of the Code.

9.13 The Respondent disputes the certification dated 08.09.2026 and the certificate under Section 63 of the Bharatiya Sakshya Adhiniyam, 2023 filed as Annexure "DD1". It also disputes Annexure "DD2", the NeSL Form D.

9.14 The Respondent states that it has paid-up capital of Rs. 2,14,92,92,400 and operates a PPP project with the Government of Gujarat. It refers to the Facility Agreement dated 17.01.2025 for Rs. 25,00,00,000 and the communication dated 03.09.2026.

9.15 The Respondent refers to settlement discussions and the Joint Lenders' Meeting dated 04.09.2026, with Annexure "A" dated 07.09.2026 and Annexure "B" dated 11.09.2026. It disputes the claim of Rs. 2,13,08,37,179.74 and refers to *Canara Bank Ltd. v. Swaminarayan Diamonds Pvt. Ltd.,* CP (IB) No. 333/MB/2025.

9.16 The Respondent has also placed reliance upon two more judgments with the relevant paragraphs thereof in support of their respective submissions. The judgments relied upon by the Respondent are set out herein below:-

(a) Rajendra Narottamdas Sheth & Anr. Vs. Chandra Prakash Jain & Anr. reported in (2022) 5 Supreme Court Cases 600 (paras 13 to 15)

(b) Palogix Infrastructure P. Ltd. Vs. ICICI Bank Ltd. (and vice versa) reported in 2017 SCC OnLine NCLAT 266 (paras 31 & 32).

9.17 In view of the above, the Respondent seeks dismissal of the Petition with costs. It also seeks leave to add, alter, amend or modify the Additional Affidavit and to file further affidavits and documents during the proceedings.

10. We have heard the Learned Counsel appearing for the Financial Creditor and the Corporate Debtor and have perused the Company Petition, Reply, Rejoinder, Additional Affidavit and documents placed on record. The controversy is required to be examined within the statutory parameters of Section 7 of the IBC, namely, existence of financial debt and occurrence of default.

11. In *Innoventive Industries Ltd. v. ICICI Bank Ltd.*, (2018) 1 SCC 407, the Hon'ble Supreme Court held that the Adjudicating Authority is required to ascertain the existence of debt and default from the material placed on record. The said principle has subsequently been reiterated in *E.S. Krishnamurthy & Ors. v. M/s Bharath Hi Tech Builders Pvt. Ltd.*, (2022) 3 SCC 161.

12. In *M. Suresh Kumar Reddy v. Canara Bank*, (2023) 8 SCC 387, the Hon'ble Supreme Court held that once default is established, little discretion remains with the Adjudicating Authority to refuse admission under Section 7. The enquiry is therefore summary and confined to the statutory requirements.

13. The Insolvency and Bankruptcy Code (Amendment) Act, 2026, brought into force with effect from 26.05.2026, substituted Section 7(5). The amended Section 7(5)(a) provides that the Adjudicating Authority **shall admit** the application where default has occurred, the application is complete and no disciplinary proceeding is pending against the proposed Resolution Professional.

14. In *B. Prashanth Hegde v. State Bank of India & Anr.*, 2026 SCC OnLine SC 86, and *Power Trust (Promoter of Hiranmaye Energy Ltd.) v. Bhuvan Madan, IRP of Hiranmaye Energy Ltd. & Ors.*, 2026 INSC 166, the Supreme Court reiterated the limited nature of enquiry at the admission stage. The material question remains existence of financial debt and default.

15. In *Catalyst Trusteeship Ltd. v. Ecstasy Realty Pvt. Ltd.*, 2026 SCC OnLine SC 104, the Supreme Court reiterated that the "pre-existing dispute" test applicable to Section 9 proceedings cannot be imported into Section 7 proceedings. The objections of the Corporate Debtor are accordingly considered within the aforesaid statutory framework.

16. The record establishes that the Corporate Debtor availed consortium financial facilities from Bank of Baroda, Bank of India and Union Bank of India. Term Loan-I was sanctioned for Rs.75,00,00,000/- and Term Loan-II for Rs.10,76,00,000/-, with subsequent renewals.

17. The facilities were maintained in Loan Account Nos. **378906390034145** and **378906390034179**. The corresponding sanction letters, account statements and computation of outstanding amounts are placed on record as **Annexures-D, E and F**.

18. The debt was secured by mortgage over the leasehold land measuring 37,388 sq. metres and the building known as "The Arena", together with plant and machinery. The security documents and related records form part of the documents filed with the Petition.

19. The loan accounts were classified as NPA on **31.12.2018**, and the Financial Creditor has pleaded the same as the date of default. The Demand Letter dated 04.01.2019, calling upon the Corporate Debtor to pay Rs.76,02,91,686.27, is annexed as **Annexure-G**.

20. The subsequent notice dated 08.02.2021 for invocation of guarantees and enforcement of securities is **Annexure-H**, while the reply dated 12.02.2021 submitted by the Corporate Debtor is **Annexure-I**. The SARFAESI demand notice dated 15.04.2023 issued by the Lead Bank is **Annexure-J**.

21. The Information Utility Record/Form-D records the financial debt, outstanding amount and **31.12.2018** as the date of default, with authentication recorded as "AUTHENTICATED". Authentication was completed on 21.06.2026, and the record also reflects authentication by the Corporate Debtor.

22. In *Milind Kashiram Jadhav v. State Bank of India & Anr.*, Company Appeal (AT) (Ins.) No.1589 of 2023, decided on 25.04.2024, 2024 SCC OnLine NCLAT 534, the NCLAT recognised the evidentiary value of an authenticated Record of Default maintained by the Information Utility.

The said record therefore constitutes relevant corroborative material.

23. The objection concerning certification of the bank statements is also not sufficient to discard the account records. The Financial Creditor has placed the further certification dated 08.09.2026, including certification under Section 63 of the Bharatiya Sakshya Adhiniyam, 2023, as **Annexure-DD1**.

24. The sanction documents, loan agreements, account statements, computation, security documents and Information Utility record, considered cumulatively, establish the existence of financial debt. The Financial Creditor consequently falls within the definition of "financial creditor" under Section 5(7) read with Section 5(8) of the Code.

25. The principal objection of limitation is founded upon 31.12.2018 being treated as the date of default. The Financial Creditor, however, relies upon acknowledgments including the Revival Letter dated 31.05.2019, the Revival Letters dated 06.05.2022 and 03.05.2025 and the audited financial statements.

26. Section 18 of the Limitation Act, 1963 provides for commencement of a fresh period upon a written and signed acknowledgment made before expiry of the prescribed period. In *Asset Reconstruction Company (India) Ltd. v. Bishal Jaiswal*, (2021) 6 SCC 366, the

Supreme Court held that an acknowledgment in a balance sheet may attract Section 18, subject to its contents and qualifications.

27. The Revival Letter dated 31.05.2019 was executed during the subsistence of limitation and constituted a relevant acknowledgment. Further, the period from 15.03.2020 to 28.02.2022 stands excluded pursuant to *In Re: Cognizance for Extension of Limitation*, Suo Motu W.P.(C) No.3 of 2020, while computing limitation.

28. The Revival Letter dated 06.05.2022 was therefore executed during the extended/subsisting limitation period and constitutes a further acknowledgment. The subsequent Revival Letter dated 03.05.2025 was also executed before expiry of the period arising from the preceding acknowledgment.

29. The Corporate Debtor's objection that the Revival Letters were addressed to the Lead Bank does not, in the present factual circumstances, by itself negate their evidentiary value, particularly when the documents concern the consortium facilities in which Union Bank of India was one of the participating lenders.

30. In *Dena Bank (now Bank of Baroda) v. C. Shivakumar Reddy*, (2021) 10 SCC 330, the Supreme Court recognised that additional documents and supporting pleadings may be brought on record in proceedings under Section 7 where necessary for determination of the application. The Revival Letter dated 31.05.2019 filed as **Annexure-BB** is accordingly taken into consideration.

31. The audited financial statements for FY 2019-20, FY 2020-21 and FY 2024-25 also record the borrowing and liability relied upon by the Financial Creditor. The limitation objection, therefore, cannot be accepted merely by reckoning three years mechanically from 31.12.2018.

32. The objection regarding authority of Mr. Jitendra Kamath is also not sustainable. The Financial Creditor has relied upon the General Power of Attorney dated 27.04.2007, authority letter dated 10.08.2026 and the relevant amalgamation material, collectively filed as **Annexure-CC (Colly.)**.

33. In *Rajendra Narottamdas Sheth & Anr. v. Chandra Prakash Jain & Anr.*, (2022) 5 SCC 600, the Supreme Court considered the authority of a bank officer to institute proceedings pursuant to general authorisation. In the present case, the material placed on record sufficiently establishes the authority of the authorised signatory.

34. As regards the date of default, Section 3(12) of the Code defines default with reference to non-payment of debt when whole or any part or instalment becomes due and payable. The loan records, NPA classification, demand documents and Information Utility record consistently establish continuing non-payment.

35. In *Laxmi Pat Surana v. Union Bank of India*, (2021) 8 SCC 481, the Supreme Court recognised that NPA classification may ordinarily be reckoned as the date of default for purposes of Section 7. The contractual cure-period objections raised by the Corporate Debtor do not establish payment of the dues or extinguishment of default.

36. The references to 30.09.2018, 29.12.2018 and 31.12.2018 in different documents do not, by themselves, negate the existence of default. The material on record establishes that amounts had remained unpaid and the account was classified as NPA on 31.12.2018.

37. The earlier CIRP in **C.P. (IB) No.264(AHM)/2023**, which was withdrawn under Section 12A, does not amount to discharge or extinguishment of the underlying financial liability. The JLM dated 02.04.2025 and order dated 26.08.2025 are **Annexure-EE**, while the JLM dated 20.05.2026 is **Annexure-FF**.

38. The pendency or pursuit of proceedings under SARFAESI or before the DRT does not, by itself, constitute a bar to proceedings under Section 7. In *Canara Bank Ltd. v. Swaminarayan Diamonds Pvt. Ltd.*, C.P. (IB) No.333/MB/2025, decided on 11.09.2025, 2025 SCC OnLine NCLT 5181, simultaneous recovery proceedings were not treated as a ground to reject a Section 7 application.

39. The OTS proposal dated 01.09.2026 for Rs.183,00,00,000/- and the subsequent correspondence do not establish a concluded settlement. The Respondent itself states that the proposal was under consideration, while the Financial Creditor states that it was rejected at the JLM dated 04.09.2026.

40. The JLM minutes dated 04.09.2026 are filed as **Annexure-GG**, while the communications dated 07.09.2026 and 11.09.2026 are referred to as **Annexures-A and B** to the Additional Affidavit. None of these documents establishes payment, discharge or a concluded settlement binding upon the Financial Creditor.

41. The Corporate Debtor's paid-up capital, continuing business operations, Government support, PPP structure, proposed funding and project significance cannot, at the admission stage, substitute repayment of the financial debt. These circumstances may be relevant to the subsequent resolution process but do not negate established default.

42. The reliance upon *Vidarbha Industries Power Ltd. v. Axis Bank Ltd.*, (2022) 8 SCC 352, cannot assist the Corporate Debtor in view of the subsequent amendment to Section 7(5)(a), applicable to the present Petition. Upon satisfaction of the statutory conditions, the amended provision requires admission.

43. The reliance upon *Dharani Sugars and Chemicals Ltd. v. Union of India & Ors.*, (2019) 5 SCC 480, and *Udit Harish Seth v. Bank of Baroda & Anr.*, Company Appeal (AT) (Ins.) Nos.716 & 717 of 2024, order dated 11.07.2025, does not alter the statutory position applicable to the present Section 7 proceeding. The factual and legal circumstances relied upon therein are distinguishable.

44. The reliance upon *Pawan Kumar, Ex-Director & Shareholder of Vogue Clothiers Pvt. Ltd. v. Utsav Securities Pvt. Ltd. & Ors.*, Company Appeal (AT) (Ins.) No.251 of 2020, decided on 03.08.2021, [2021] 168 SCL 692, and *Palogix Infrastructure Pvt. Ltd. v. ICICI Bank Ltd.*, 2017 SCC OnLine NCLAT 266, does not displace the present documentary evidence establishing debt, default and authority.

45. In *Rajesh Kedia v. Phoenix ARC Pvt. Ltd.*, Company Appeal (AT) (Ins.) No.996 of 2021, the NCLAT recognised that once the statutory threshold is crossed, determination of the exact quantum is not required for admission. Likewise, *Vineet Khosla v. Edelweiss Asset Reconstruction Co. Ltd. & Ors.*, Company Appeal (AT) (Ins.) No.441 of 2019, decided on 06.09.2019, 2019 SCC OnLine NCLAT 487, supports examination of the Section 7 application on the statutory parameters.

46. The remaining authorities relied upon by the Financial Creditor, namely *Rajendra Narayan Panda v. Shri*

Mangesh Vittal Kekre, Company Appeal (AT) (Ins.) No.372 of 2025, decided on 13.02.2026, and *Bikram Bhadur v. Union Bank of India*, Company Appeal (AT) (Ins.) No.1289 of 2024, decided on 05.12.2024, do not warrant a different conclusion on the facts presently established.

47. On consideration of the entire material, we are satisfied that the Financial Creditor has established the existence of financial debt and occurrence of default. The amount claimed is substantially above the threshold prescribed under Section 4 of the Code and the application is within limitation.

48. The application is complete in all material particulars and the proposed IRP has furnished Form-2. His Authorisation for Assignment is valid up to 30.06.2027 and no disciplinary proceeding against him has been brought to our notice.

49. Accordingly, in exercise of powers under Section 7(5)(a) of the Insolvency and Bankruptcy Code, 2016, the Petition deserves to be admitted. The Corporate Debtor, therefore, is liable to be subjected to Corporate Insolvency Resolution Process in accordance with the provisions of the Code

50. Accordingly, in light of the above facts and circumstances, it is, **hereby ordered** as under:-

(i) The Company Petition bearing **CP (IB) No.265/7/AHM/2026** is **admitted** under Section

7(5)(a) of the Insolvency and Bankruptcy Code, 2016, and the Corporate Insolvency Resolution Process is hereby initiated against the Respondent/Corporate Debtor - **SE Transstadia Private Limited**.

(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 or continuation of 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 SARFAESI Act, 2002; and*

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

(iii) The provisions of Section 14(1) shall not apply to such transactions, agreements or arrangements as may be notified under Section 14(3) of the Code, including proceedings against a surety in a contract of guarantee to the Corporate Debtor.

(iv) The moratorium shall come into effect from the date of this order and shall continue till completion of the CIRP or until approval of the Resolution Plan under Section 31(1) or passing of an order for liquidation under Section 33 of the Code, as the case may be.

(v) However, the supply of essential goods or services to the Corporate Debtor shall not be terminated, suspended or interrupted during the moratorium period, except in accordance with Sections 14(2), 14(2A) and other applicable provisions of the Code.

(vi) Accordingly, in terms of Section 16(2) of the Code read with Section 7(3)(b) and the applicable Rules, and upon perusal of his Form-2 and the disclosures placed on record, and there being no disciplinary proceeding pending against him brought to our notice, we appoint Mr. Dinesh Kumar Aggarwal, Insolvency Professional Registration No. IBBI/IPA-002/IP-N00890/2019-2020/12843 (**e-mail:** dinesh.aggarwal31@gmail.com) 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.

(vii) The Interim Resolution Professional shall make the public announcement forthwith and, in any event, within three days of his appointment, in accordance with Section 15 of the Code read with Regulation 6 of the CIRP Regulations, 2016 and invite claims from the creditors in the prescribed manner.

(viii) The Interim Resolution Professional shall take over the management and affairs of the Corporate Debtor in terms of Section 17 of the Code and perform the duties prescribed under Sections 18 and 20 thereof, including taking control and custody of the assets, records and information relating to the Corporate Debtor.

(ix) The personnel of the Corporate Debtor, its promoters and all persons associated with its management shall extend every assistance and cooperation to the Interim Resolution Professional, as required under Section 19 of the Code. In the event of non-cooperation, the Interim Resolution Professional shall be at liberty to seek appropriate directions from this Adjudicating Authority.

(x) The Financial Creditor is directed to deposit a sum of **Rs.5,00,000/- (Rupees Five Lakh Only)** in advance exclusive of applicable taxes, if any, with the Interim Resolution Professional within **seven 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.

(xi) The Registry is directed to communicate a copy of this order to the Financial Creditor, the Corporate Debtor, the Interim Resolution Professional, the concerned Registrar of Companies and the Insolvency and Bankruptcy Board of India, in accordance with law.

(xii) The IRP/RP shall take into consideration the books of account, bank statements and other records of the Corporate Debtor as well as take note of the material and circumstances emerging from the record, including the sequence of Board Resolutions, source and movement of funds, transactions between the parties and the financial particulars placed on record, while conducting the CIRP in accordance with the provisions of the Code.

(xiii) The IRP shall take custody and control of the assets, books of account and records of the Corporate Debtor in accordance with Section 18 of the Code and the applicable Regulations and shall file a status report before this Adjudicating Authority regarding compliance with the aforesaid directions within 20 days from receipt of this order.

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

51. Accordingly, this Application **CP(IB)/265/7/AHM/2026** is hereby **admitted.** and the Registry shall take necessary steps for compliance with this order.

52. A certified copy of this order may be issued, if applied for, upon compliance with all requisite formalities.

-SD-	**-SD-**
SANJEEV SHARMA	**SHAMMI KHAN**
MEMBER (TECHNICAL)	**MEMBER (JUDICIAL)**