IN THE NATIONAL COMPANY LAW TRIBUNAL MUMBAI BENCH-II

C.P. (IB)/218(MB)2026

(Under Section 10 of the Insolvency and Bankruptcy Code, 2016 read with Rule 7 of the Insolvency and Bankruptcy (Application to Adjudication Authority) Rules, 2016)

IN THE MATTER OF

WEST GUJARAT EXPRESSWAY LIMITED

[CIN: U66020MH1995PLC095507]

The IL&FS Financial Centre Plot No. C-22 G Block

Bandra - Kurla Complex, Bandra-, East,

Mumbai Maharashtra, India, 400051.

... Corporate Applicant / Corporate Debtor

Pronounced: 02.11.2026

CORAM:

HON'BLE SHRI ASHISH KALIA, MEMBER (JUDICIAL)

HON'BLE SHRI BANWARI LAL MEENA, MEMBER (TECHNICAL)

Appearances: Hybrid

For Applicant : Adv. Kaustubh Srivastava (VC)

For NHAI : Adv. Nishant Awana a/w Adv. Ekta Kundu (VC)

ORDER

[PER: ASHISH KALIA (MEMBER JUDICIAL)]

1. BACKGROUND

1.1 The present **C.P. (IB)/218(MB)2026** was filed on **25.02.2026** by ***West Gujarat Expressway Limited*** (hereinafter referred to as the "Corporate Applicant" or the "Corporate Debtor") under **Section 10 of the Insolvency and Bankruptcy Code, 2016** (hereinafter referred to as the "Code"), read with **Rule 7 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016** (hereinafter referred to as the "AA Rules"), in **Form 6**, seeking initiation of the Corporate Insolvency Resolution Process ("CIRP") against itself.

1.2 The Corporate Debtor was incorporated on **14.03.2005** as a special purpose vehicle ("SPV") by IL&FS Transportation Networks Limited ("ITNL") and Infrastructure Leasing & Financial Services Limited ("IL&FS"). Its Corporate Identity Number ("CIN") is U60200MH2005PLC151958, and it is registered with the Registrar of Companies, Mumbai. The Corporate Debtor is an unlisted public company having its registered office at the IL&FS Financial Centre, Bandra-Kurla Complex, Mumbai. Accordingly, this Bench has territorial jurisdiction to entertain the present Petition in terms of **Section 60(1) of the Code**.

1.3 The authorised and paid-up share capital of the Corporate Debtor is stated to be ₹40,00,00,000/-, comprising 2,00,00,000 equity shares and 2,00,00,000 preference shares of ₹10/- each. As on **08.08.2025**, IL&FS held 52,00,015 equity shares, representing 26.00% of the equity share capital, while ITNL, together with its nominees, held 1,47,99,925 equity shares, representing 73.99%. ITNL also held the entire preference share capital of the Corporate Debtor. The relevant particulars are set out in Annexures A, B and C. The master data

available on the Ministry of Corporate Affairs ("MCA") portal reflects the status of the Corporate Debtor as "Active – Non-Compliant", with its last Annual General Meeting having been held on 28.09.2022.

2. CONTENTION OF CORPORATE DEBTOR/APPLICANT

2.1 On **22.03.2005**, the Corporate Debtor entered into a Concession Agreement with the National Highways Authority of India ("NHAI") for the development, operation and maintenance of the Jetpur–Gondal–Rajkot section of National Highway No. 8B under the Build-Operate-Transfer ("BOT") model. The Appointed Date under the Concession Agreement was **17.09.2005**. The completion certificate was issued on **14.08.2008**, and toll operations commenced on **16.05.2008**. The concession was granted for a period of 20 years.

2.2 By an order dated **01.10.2018** passed **in C.P. No. 3638/2018**, instituted under Sections 241 and 242 of the Companies Act, 2013, this Tribunal superseded the erstwhile Board of Directors of IL&FS and appointed a New Board. Subsequently, by an order dated **15.10.2018**, the National Company Law Appellate Tribunal ("NCLAT") stayed proceedings against the IL&FS Group. On **12.03.2020**, the NCLAT approved the Resolution Framework, including the Revised Distribution Framework, under the supervision of Justice (Retd.) D.K. Jain.

2.3 Thereafter, by an order dated **06.12.2022**, the NCLAT classified the Corporate Debtor as a "Red Entity". As recorded in Note 28 to the audited financial statements for the financial year 2024–25, the Corporate Debtor has not provided for interest on its debts from the date of such classification.

2.4 NHAI issued a notice of termination of the Concession Agreement on **21.12.2021**. The interim order dated **23.12.2021** passed by the NCLAT in I.A.

No. 2908/2021 in Company Appeal (AT) No. 346/2018 was subsequently vacated by an order dated **16.03.2022**. By an order dated **30.03.2022**, passed by the High Court of Delhi in proceedings under Section 9 of the Arbitration and Conciliation Act, 1996, the parties were referred to conciliation, followed by arbitration.

2.5 The Project was handed over to NHAI on **01.04.2022**, following which the Corporate Debtor ceased to undertake any significant business operations. The debt owed to the senior lenders, namely L&T Finance and L&T Infra Credit, was subsequently assigned to CFM ARC.

2.6 The Committee for Consideration of Infrastructure Entities ("CCIE-2"), on **24.07.2024**, recorded an in-principle settlement involving payment of ₹71,00,00,000/- by NHAI to the Corporate Debtor. Pursuant thereto, a Settlement Agreement was executed on **01.07.2025** under Section 73 of the Arbitration and Conciliation Act, 1996, as set out in Annexure P. After applicable deductions, the Corporate Debtor received a sum of **₹69,53,00,000/- on 04.07.2025**. The lien of ₹75,00,00,000/- marked by NHAI was released on **05.08.2025**.

2.7 The resolution consultant, Alvarez & Marsal, by its recommendation dated **10.10.2024**, recommended initiation of CIRP against the Corporate Debtor under Section 10 of the Code, following distribution of the available amounts among the creditors in accordance with the applicable framework.

2.8 The proposal for initiation of CIRP was thereafter considered and approved at various levels, as follows:

a. The Board of the Corporate Debtor, by circulation, on **13.12.2024**;

b. The Board of ITNL on **13.12.2024**;

c. The New Board on **22.12.2024**;

d. The shareholders on **23.12.2024**;

e. By way of a memorandum submitted to Justice (Retd.) D.K. Jain on **09.01.2025**; and

f. By approval granted by Justice (Retd.) D.K. Jain on **03.02.2025**.

2.9 By an order dated **27.05.2025**, passed in C.A. No. 66/2025 in C.P. No. 3638(MB)/2018, this Tribunal permitted the Corporate Debtor to file an appropriate petition for initiation of CIRP under Section 10 of the Code, subject to undertaking distribution of the available distributable amounts in accordance with the Revised Distribution Framework. The relevant order forms part of Annexure O. The aforesaid order also permitted:

a. Reimbursement of **₹1,43,22,334/-** to ITNL; and

b. Withdrawal of **₹93,85,900/-** towards payments required for maintaining the Corporate Debtor as a going concern until **31.03.2026**.

2.10 The aforesaid permission was granted without prejudice to the investigation being conducted by the Serious Fraud Investigation Office ("SFIO"). The Corporate Debtor states that the final distribution of **₹79,05,00,000/-** was completed on **10.12.2025**.

2.11 As per the report of Grant Thornton dated **30.09.2022**, prepared on the basis of claims received up to **18.08.2022** and the creditors as on **15.10.2018**, claims aggregating to **₹3,85,61,06,573/-** were received, out of which claims amounting to **₹3,77,14,77,804/-** were admitted. The report forms part of Annexure T.

2.12 The Corporate Debtor has further disclosed that a claim of **₹2,03,48,870/-** towards government dues remained pending before various forums, while claims aggregating to **₹6,42,79,899/-** were not admitted. The details of the amounts outstanding as on **31.03.2025**, as disclosed in paragraph 7.2 of Form 6, are set

out in the Petition.

2.13 The audited financial statements of the Corporate Debtor for the financial year **2024–25**, audited by N.M. Raiji & Co., reflect total assets of **₹85,34,10,000/-**, total liabilities of **₹3,19,81,00,000/-**, and a negative net worth of **₹2,34,46,90,000/-**. The said financial statements have been prepared on a non-going-concern basis. Further, interest aggregating to **₹54,40,40,000/-** has not been provided for up to **31.03.2025**, as disclosed in the financial statements.

2.14 As disclosed in Part III of Form 6, the total debt in default as on **14.01.2026** is stated to be **₹2,27,20,58,957.71/-**, which exceeds the minimum default threshold of **₹1,00,00,000/-** prescribed under Section 4(1) of the Code. The creditor-wise particulars and amounts claimed to be in default are set out in Annexure S to the Petition.

2.15 The Corporate Debtor has also disclosed a charge in favour of IDBI Trusteeship Services Limited for **₹1,41,26,00,000/-**. The charge was created on **09.12.2014**, bearing Charge ID 10543561, with the Certificate of Registration of Charge dated **22.01.2015**. The relevant filings include Form PAS-3 dated **05.01.2015** and Form CHG-9 dated **08.01.2015**.

2.16 The Corporate Debtor has proposed the appointment of **Mr. Parshva Manoj Shah** as the Interim Resolution Professional (“IRP”), bearing Registration No. IBBI/IPA-001/IPP-02538/2025-2026/14518. His written consent in Form 2 is dated **09.07.2025**. The relevant documents form part of Annexure R.

2.17 The Corporate Debtor has stated that no winding-up or insolvency proceedings are pending against it. It has further contended that its outstanding dues have remained due since October 2018 and that the liabilities have been acknowledged in its audited financial statements. On this basis, the Corporate Debtor asserts that the present Petition is not barred by limitation.

2.18 The Corporate Debtor has also sought a direction that any amounts recovered in the future be distributed by the Resolution Professional or Liquidator, as the case may be, in accordance with the Revised Distribution Framework.

3. ANALYSIS AND FINDINGS

3.1 Heard the learned counsel for the Corporate Applicant. The Bench has perused the Petition, the annexures and the material on record.

3.2 The Petition was filed on **25.02.2026** under **Section 10** of the Code, read with **Rule 7** of the AAA Rules, in **Form-6**, and the requisite particulars have been furnished. The Corporate Applicant is a public company incorporated on **14.03.2005** (CIN: **U60200MH2005PLC151958**), with its registered office at IL&FS Financial Centre, Bandra-Kurla Complex, Mumbai. This Bench therefore has **territorial jurisdiction** under **Section 60(1)** of the Code.

3.3 The Corporate Applicant was incorporated as a special purpose vehicle by IL&FS Transportation Networks Limited ("ITNL") and Infrastructure Leasing & Financial Services Limited ("IL&FS"). Under a Concession Agreement dated **22.03.2005** with the National Highways Authority of India ("NHAI"), it developed the Jetpur–Gondal–Rajkot section of NH-8B on a Build-Operate-Transfer basis for 20 years. NHAI issued a **termination notice on 21.12.2021**, and the Project was **handed over on 01.04.2022**. The Corporate Applicant has had **no significant business operations** since.

3.4 The Corporate Applicant is part of the IL&FS Group, which is governed by the **Resolution Framework** approved by the Hon'ble NCLAT on **12.03.2020** under the supervision of Justice (Retd.) D.K. Jain. By order dated **06.12.2022**, the Hon'ble NCLAT classified it as a **"Red Entity"**. By order dated **27.05.2025 in C.A. No. 66/2025 in C.P. No. 3638(MB)/2018**, this Tribunal **permitted it to file a petition**

under Section 10, subject to distribution of the available amounts, including those received under the Settlement Agreement dated **01.07.2025** with NHAI (Annexure P), in accordance with the Revised Distribution Framework. The Corporate Applicant states that the **final distribution of ₹79,05,00,000/- was completed on 10.12.2025**. The permission was granted **without prejudice to the investigation by the Serious Fraud Investigation Office ("SFIO")**. That investigation is **no bar to admission**, and the Resolution Professional shall take note of it in discharging his duties, including under **Sections 43 to 51 and 66** of the Code.

3.5 In compliance with **Section 10(3)** of the Code, the filing of the Petition stands authorised by the Board of the Corporate Applicant by the board resolution dated **13.12.2024**, the Board of ITNL (**13.12.2024**), the New Board (**22.12.2024**) and the shareholders (**23.12.2024**), and was approved by Justice (Retd.) D.K. Jain on **03.02.2025** on a memorandum submitted on 09.01.2025. The Petition follows the recommendation of Alvarez & Marsal dated **10.10.2024**.

3.6 The audited financial statements for **FY 2024–25**, audited by M/s N.M. Raiji & Co. and prepared on a **non-going-concern basis**, show **total assets of ₹85,34,10,000/-** against **total liabilities of ₹3,19,81,00,000/-**, resulting in a **negative net worth of ₹2,34,46,90,000/-**. Interest of **₹54,40,40,000/-** has not been provided for (Note 28), consequent upon the "Red Entity" classification. [Insert FY 2025–26 figures, if filed.] Part III of Form 6 and Annexure S disclose a **total debt in default of ₹2,27,20,58,957.71/- as on 14.01.2026**. This is consistent with the Grant Thornton report dated 30.09.2022, which records claims of ₹3,85,61,06,573/- received and **₹3,77,14,77,804/- admitted**. The senior lenders' debt (L&T Finance and L&T Infra Credit) has been assigned to **CFM ARC**, and a charge for **₹1,41,26,00,000/-** (Charge ID 10543561) subsists in favour of IDBI

Trusteeship Services Limited. The debt is **due and payable**, and it far exceeds the **threshold of ₹1,00,00,000/- under Section 4(1)** of the Code.

3.7 As to **limitation**, the dues have remained outstanding **since October 2018** and have been **acknowledged in the audited financial statements**, including those for FY 2024–25. Under **Section 18 of the Limitation Act, 1963**, read with **Section 238A** of the Code, a written acknowledgment made before expiry of the prescribed period gives rise to a fresh period of limitation. The Petition is therefore **not barred by limitation**. [Insert authority. Consider noting the NCLAT stay of 15.10.2018.]

3.8 The Corporate Applicant states that **no winding-up or insolvency proceeding is pending** against it, and nothing on record shows that it is ineligible under **Section 11** of the Code. As the default predates the period 25.03.2020 to 24.03.2021, **Section 10A is not attracted**. Its MCA status of “Active – Non-Compliant” and the last AGM held on 28.09.2022 have **no bearing on maintainability**, as Section 10 neither requires compliance with the Companies Act, 2013 nor that the applicant be a going concern.

3.9 The Corporate Applicant proposes **Mr. Parshva Manoj Shah** (Reg. No. **IBBI/IPA-001/IPP-02538/2025-2026/14518**) as Interim Resolution Professional (“IRP”). His Form 2 consent dated **09.07.2025** records that **no disciplinary proceedings are pending** against him.

3.10 The prayer that **future recoveries** be distributed under the Revised Distribution Framework would, at this stage, pre-empt the statutory scheme, including the role of the Committee of Creditors and the waterfall under **Section 53**. It is **premature and is not entertained**. The Resolution Professional shall report any recovery to this Tribunal and act in accordance with the Code and any applicable directions of this Tribunal or the Hon’ble NCLAT. **Liberty to apply is granted.**

3.11 In view of the foregoing, this Bench is satisfied that the Petition is **complete, duly authorised and within limitation**, that a **default above the threshold under Section 4(1) is established**, and that **no disciplinary proceedings are pending** against the proposed IRP. There is no reason to deny admission. Accordingly, this Adjudicating Authority, under **Section 10(4)(a)** of the Code, **admits the Petition and orders initiation of CIRP against the Corporate Applicant**.

ORDER

In the result, **C.P. (IB)/218(MB)/2026**, filed by **West Gujarat Expressway Limited**, the Corporate Applicant/Corporate Debtor, under Section 10 of the Insolvency and Bankruptcy Code, 2016, read with Rule 7 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016, seeking initiation of the Corporate Insolvency Resolution Process against itself, is **admitted**.

We further declare moratorium under Section 14 of the Code, with consequential directions as follows:

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; 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 (54 of 2002);

c) 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 order of moratorium shall have effect from the date of this order till the completion of the CIRP or until this Bench 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.

III. Notwithstanding the above, during the period of moratorium: -

(a) 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;

(b) That the provisions of sub-section (1) of Section 14 of the Code shall not apply to-

(i) Such transactions as may be notified by the Central Government in consultation with any financial sector regulator or any other authority;

(ii) A surety in a contract of guarantee to a corporate debtor.

IV. That the public announcement of the CIRP shall be made in 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 appoints **Mr. Parshva Manoj Shah,** a registered Insolvency Professional having **Registration No. IBBI/IPA-001/IP-P-02538/2025-2026/14518** having email address: **ip.parshvashah@outlook.com** and valid Authorisation for Assignment up to **30.06.2027** as the IRP to carry out the functions under the Code.

VI. The fee payable to IRP/Resolution Professional (hereinafter referred to as "RP") shall be in accordance with the Regulations/Circulars issued by the Insolvency and Bankruptcy Board of India (hereinafter referred to as "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 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 National Company Law Tribunal Rules, 2016 (hereinafter referred to as "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 Financial Creditor is directed to deposit a sum of **Rs. 2,00,000/- (Two Lakh Rupees)** 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 Financial Creditor on priority upon the funds becoming available with IRP/RP from the Committee of Creditors (hereinafter referred to as "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, Mumbai, Maharashtra, 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. Registry is directed to immediately communicate this Order to the Financial Creditor, the Corporate Debtor and the IRP by way of e-mail and WhatsApp, not later than two days from the date of this Order.

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

Sd/-
BANWARI LAL MEENA
MEMBER (TECHNICAL)

Sd/-
ASHISH KALIA
MEMBER (JUDICIAL)

KRS