



IN THE NATIONAL COMPANY LAW TRIBUNAL: NEW DELHI
COURT – VI

C.P. (IB) No. 103/ND/2025

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

IN THE MATTER OF:

WOODHILL BUILDTECH PRIVATE LIMITED

Through its Director and Authorized
Representative Mr. Yashveer Choudhary

Registered Office At:

HIG-5, GDA Officer Colony,
Patel Nagar, Ghaziabad,
Uttar Pradesh - 201001

**...PETITIONER/
FINANCIAL CREDITOR**

VERSUS

EMPRESS INFRA PROJECTS PRIVATE LIMITED

Registered Office At:

Plot No-249A Old No.-377,
Rampura, Shakurpur,
New Delhi – 110035

**...RESPONDENT/
CORPORATE DEBTOR**

CORAM:

JUSTICE JYOTSNA SHARMA
HON'BLE MEMBER (JUDICIAL)

MS. ANU JAGMOHAN SINGH
HON'BLE MEMBER (TECHNICAL)



APPEARANCES:

Counsel for Petitioner:

Adv. Kanika Singhal

Counsel for Respondent:

Adv. Gauri Pande, Adv. Saket Gogia, Adv. Sheetal Maggon and Adv. Man Singh

ORDER

ORDER DELIVERED ON: 12.11.2025

1. This petition has been filed by M/s. Woodhill Buildtech Private Limited (hereinafter referred to as the “Financial Creditor”) to initiate Corporate Insolvency Resolution Process (“CIRP”) against M/s. Empress Infra Projects Private Limited (hereinafter referred to as “Corporate Debtor”) under Section 7 of the Insolvency and Bankruptcy Code 2016 (hereinafter referred to as “the Code”) for the alleged default on the part of the Respondent in repayment of debt of **Rs. 2,12,13,236.47/-** inclusive of the interest as stipulated in the Loan Agreement. The NeSL certificate (Form C) has also been annexed by the Petitioner. The Respondent Company has its registered office situated in the NCT of Delhi and therefore falls under the jurisdiction of the National Company Law Tribunal, New Delhi Bench.
2. Submissions of the Financial Creditor:
 - a. That, in the year 2017, the Corporate Debtor approached the Financial Creditor seeking financial assistance to meet its working capital requirements. The Corporate Debtor represented that it had secured a government contract/tender and required immediate funds for its execution. Based on the said representations, and after carrying out due diligence, the Financial Creditor, relying upon the assurances, representations, and warranties furnished by the Promoters and members of the Corporate Debtor, agreed to extend a loan facility on mutually agreed terms and conditions.
 - b. That, on 02.06.2017, a Loan Agreement was executed between the Financial Creditor and the Corporate Debtor, under which the Financial Creditor disbursed a total sum of ₹70,00,000/- (Rupees Seventy Lakhs only)



in three tranches. The said facility carried an interest rate of 15% per annum, compounded annually, and a penal interest of 1% per month in the event of default.

- c. That, upon expiry of the original loan term in June 2020, the Director of the Corporate Debtor, Mr. Manish Chaudhary, informed the Financial Creditor that due to the unprecedented outbreak of the COVID-19 pandemic, the Corporate Debtor had suffered severe business losses. The Corporate Debtor was unable to meet its debt obligations. The Director accordingly sought an extension of the existing loan facility.
- d. Consequently, an Addendum to the Loan Agreement was executed on 07.09.2020, wherein Mr. Manish Chaudhary also executed a Personal Guarantee in favor of the Financial Creditor. Under the Addendum, the tenure of the loan facility was extended by a further period of 36 months, i.e., up to 07.09.2023. The principal loan amount was enhanced from ₹70,00,000/- to ₹1,10,00,000/- (Rupees One Crore Ten Lakhs only), to account for accrued interest and to provide additional working capital assistance during the pandemic period. The Addendum retained the same terms and conditions as the original Loan Agreement, including the applicable rate of interest and penal provisions.
- e. That, the default occurred on 07.09.2023, upon expiry of the extended loan period, when the Corporate Debtor failed to make the repayment of the outstanding dues.
- f. The applicant submits that the debt in question squarely falls within the definition of “financial debt” as defined under **Section 5(8)(a)** of the Insolvency and Bankruptcy Code, 2016. The Financial Creditor further submits that despite repeated requests and reminders, including notices dated 09.11.2023 and 20.01.2024, as well as a legal notice dated 20.08.2024 issued to both the Corporate Debtor and the Personal Guarantor, no response was received, nor any payment was made towards the outstanding dues. It is also averred that upon physical verification, the representative of the Financial Creditor found the registered office of the Corporate Debtor “locked since 2021,” and further



discovered that the residence of Mr. Manish Chaudhary had been vacated.

3. Submissions of the Corporate Debtor:

- a. The Respondent / Corporate Debtor denies the averments made in the petition and submits that the same is premature, misconceived, and amounts to an abuse of the process of law.
- b. That, subsequent to the execution of the Addendum dated 07.09.2020, owing to continued financial stress and deterioration of its business operations, the parties mutually agreed to further modify the terms of the Loan Agreement and the Addendum through an oral understanding. Under the said oral agreement, the Financial Creditor allegedly agreed not to initiate any recovery or insolvency proceedings for the outstanding amount and to defer the repayment obligations until the Respondent's financial position stabilized. The Respondent contends that such oral modification constituted a binding arrangement between the parties.
- c. That, despite the aforesaid understanding, the Financial Creditor has now sought to disregard the said oral agreement and has filed the present petition under Section 7 of the Code.
- d. That, in light of the oral modification, no "default" within the meaning of **Section 3(12)** of the Code has occurred, as the amount claimed by the Financial Creditor has not yet become "due and payable" under the arrangement between the parties. Accordingly, the petition does not meet the jurisdictional requirement for initiation of proceedings under Section 7 of the Code.
- e. The Respondent further accuses the Financial Creditor of *suppressio veri, suggestio falsi* - suppression of truth and suggestion of falsehood - by deliberately concealing material facts relating to the oral modification from this Adjudicating Authority.



Analysis and Findings

4. We have perused the documents filed by the Financial Creditor as well as the Corporate Debtor and have heard the arguments made by the Ld. Counsels appearing for both the parties.
5. The Financial Creditor has pleaded that the amount of **Rs. 2,12,13,236.47/-** qualifies as a financial debt under **Section 5(8)** of the Code.
6. As contended by the Financial Creditor, a Loan Agreement dated 02.06.2017 was executed, pursuant to which an amount of Rs. 70,00,000/- was disbursed at an interest rate of 15% per annum, with a penal interest of 1% per month in the event of default. Upon expiry of the initial term, the parties executed an Addendum dated 07.09.2020, duly signed by both the parties extending the loan tenure by 36 months and enhancing the principal amount to ₹1,10,00,000/-. The Petitioner asserts that the date of default is 07.09.2023, being the date on which the outstanding amount became due and payable.
7. The Corporate Debtor has neither disputed the execution of the Loan Agreement or the execution of the Addendum dated 07.09.2020 nor the disbursement of the sanctioned amount by the Financial Creditor. It has also not denied the existence of the financial debt as claimed. Its only defence is that, both parties had allegedly entered into an oral arrangement whereby the terms of repayment were modified and an extended period was granted for discharge of the liability.
8. We note that, the loan in question was disbursed for consideration against the time value of money. The Petitioner has placed on record a comprehensive set of documents, including the Loan Agreement dated 02.06.2017 executed between the parties (Annexure C), the Addendum thereto dated 07.09.2020 (Annexure E), and bank account statements evidencing the disbursement of the loan amount (Annexure D). In terms of the Addendum to the Loan Agreement, the loan became due and payable and the Corporate Debtor defaulted in repayment of the same.
9. The Respondent is relying on a plea that subsequent to the Addendum dated 07.09.2020, which is an admitted document, the parties mutually agreed through an oral understanding that the terms of the loan shall be modified and that no insolvency proceedings shall be initiated. In our view, this is an illusory plea.



The Respondent has failed to clearly state when such an oral understanding was reached and what exactly the modifications to the Addendum were. Further, the Respondent has failed to explain what prevented the parties from executing any memorandum/document recording such modifications. In our view, this plea is without substance and has been taken to mislead the Adjudicating Authority. The Corporate Debtor's reliance on alleged oral understanding holds no ground in the light of a written addendum to the Loan agreement, duly signed by both the parties detailing the fresh terms of the Loan and its repayment. In view of the above, the debt and the default are clearly established.

10. The Hon'ble Supreme Court in the judgement of ***Innoventive Industries Limited v. ICICI Bank and Another*** held that once NCLT is satisfied that the default has occurred, there is hardly a discretion left with NCLT to refuse admission of the Application under **Section 7** of the Code. Hence, this Adjudicating Authority, being limited to the determination of debt and default within the framework of a summary trial, finds that the other submissions advanced by the respondent fall beyond its jurisdiction. Consequently, this Authority refrains from delving into them.
11. In light of the above and in terms of the fact that existence of debt and its default by the Corporate Debtor has been established by the virtue of the material placed on record, this Adjudicating Authority **admits** this petition and initiates CIRP on the Corporate Debtor with immediate effect.
12. Sub-section (3) (b) of **Section 7** mandates the Financial Creditor to furnish the name of an Interim Resolution Professional. In compliance thereof the applicant has proposed the name of Mr. Sudhanshu Gupta for appointment as Interim Resolution Professional having registration number IBBI/IPA-002/IP-N00216/2017-18/10668 and (Email- sg_1973@rediffmail.com). The proposed IP has a valid AFA. Therefore, this Adjudicating Authority, appoints him to act as Interim Resolution professional in the matter. He shall take such other and further steps as are required under the statute, more specifically in terms of Section 15, 17 and 18 of the Code.
13. We direct the Applicant to deposit a sum of Rs. 2 Lakh with the Interim Resolution Professional, namely Mr. Sudhanshu Gupta to meet out the expenses to perform the functions assigned to him in accordance with regulation 6 of Insolvency and Bankruptcy Board



of India (Insolvency Resolution Process for Corporate Person) Regulations, 2016. The needful shall be done within one week from the date of receipt of this order by the Financial Creditor.

14. In pursuance of Section 13 (2) of the Code, we direct that public announcement shall be made by the Interim Resolution Professional immediately (3 days as prescribed by Explanation to Regulation 6(1) of the IBBI Regulations, 2016) with regard to admission of this application under Section 7 of the Insolvency & Bankruptcy Code, 2016.
15. We also declare moratorium in terms of Section 14 of the Code. The necessary consequences of imposing the moratorium flows from the provisions of Section 14 (1) (a), (b), (c) & (d) of the Code. Thus, the following prohibitions are imposed:
 - “(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 Securitization 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.”
16. It is made clear that the provisions of moratorium shall not apply to transactions which might be notified by the Central Government or the supply of the essential goods or services to the Corporate Debtor as may be specified, are not to be terminated or suspended or interrupted during the moratorium period. In addition, as per the Insolvency and Bankruptcy Code (Amendment) Act, 2018 which has come into force w.e.f. 06.06.2018, the provisions of moratorium shall not apply to the surety in a contract of guarantee to the corporate debtor in terms of Section 14 (3) (b) of the Code.
17. The Interim Resolution Professional shall perform all his functions contemplated, inter-alia, by Sections 15, 17, 18, 19, 20 & 21 of the



Code and transact proceedings with utmost dedication, honesty and strictly in accordance with the provisions of the Code, Rules and Regulations. It is further made clear that all the personnel connected with the Corporate Debtor, its promoters or any other person associated with the Management of the Corporate Debtor are under legal obligation under Section 19 of the Code to extend every assistance and cooperation to the Interim Resolution Professional as may be required by him in managing the day to day affairs of the 'Corporate Debtor'. In case there is any violation committed by the ex-management or any preferential/ undervalued/ tainted/illegal transaction by ex-directors or anyone else, the Interim Resolution Professional shall make an application to this Adjudicating Authority with a prayer for passing an appropriate order. The Interim Resolution Professional shall be under duty to protect and preserve the value of the property of the 'Corporate Debtor' as a part of its obligation imposed by Section 20 of the Code and perform all his functions strictly in accordance with the provisions of the Code, Rules and Regulations.

18. The office is directed to communicate a copy of the order to the Financial Creditor, the Corporate Debtor, the Interim Resolution Professional and the Registrar of Companies, NCT of Delhi & Haryana at the earliest possible but not later than seven days from today. The Registrar of Companies shall update its website by updating the status of 'Corporate Debtor' and specific mention regarding admission of this petition must be notified to the public at large.
19. Let copy of the order be served to the parties.

-SD/-
ANU JAGMOHAN SINGH
HON'BLE MEMBER (TECHNICAL)

-SD/-
JYOTSNA SHARMA
HON'BLE MEMBER (JUDICIAL)