

NATIONAL COMPANY LAW APPELLATE TRIBUNAL
PRINCIPAL BENCH, NEW DELHI

Company Appeal (AT) (Ins) No. 33 of 2026 &
I.A. No. 129 of 2026

IN THE MATTER OF:

**Arvind Gaudana,
Liquidator of Spel Granito**

...Appellants

Versus

Axis Bank Ltd.

...Respondents

Present:

For Appellant : Mr. Arjun Sheth and Ms. Somya Jain, Advocates.

**For Respondents : Mr. Aayush Agarwala and Mr. Prakash Jha,
Advocates.**

O R D E R
(Hybrid Mode)

16.01.2026: Heard counsel for the appellant as well as Ld. Counsel appearing for the Axis Bank.

2. This appeal has been filed against the order dated 04.11.2025 in IA No. 581/Ahm/2025 by which order the Adjudicating Authority has allowed the IA filed by the Axis Bank and issued directions to the Liquidator to handover the possession of the secured assets to the Axis Bank whereas other directions have been issued in paragraph-8 of the order following has been directed:-

“In light of the foregoing, the impugned speaking order dated 21.03.2025 is set aside as perverse, arbitrary, and contrary to the Code. The Respondent is directed to:-

A. Hand over physical possession of the secured assets (as detailed in paragraph 2.2 of the application) to the Applicant within 15 days from the date of this order, upon the Applicant depositing the estimated proportionate liquidation costs [as per the first proviso to Regulation 21A(2), if not already deposited] ,

calculated based on the Applicant's admitted claim share in the SCC.

B. Provide a detailed reconciliation statement, invoices, and SCC share ratio within 7 days hereof, enabling the Applicant to compute and deposit the estimate (if not already done).

C. Refrain from any further sale, transfer, or auction of the secured assets pending realization by the Applicant, subject to compliance with Regulation 21A(2) post-realization.

D. Extend the timelines under Regulation 21A(2)(b) by 180 days from the date of handover, to account for the Respondent's delays.

*E. The prayer for extension of time under Regulation 21A is allowed as above, in exercise of powers under Section 60(5) of the Code, recognizing the directory nature of timelines where delays are attributable to the Liquidator (as held in *HDFC Bank Ltd. v. Hema Engineering Industries Ltd.*, *supra*). All other ancillary prayers, including restraint on third-party alienation, stand granted to the extent indicated.*

3. Ld. Counsel appearing for the Appellant-liquidator submits that appellant was requesting the Axis Bank to share the liquidation cost and due to non-payment of the liquidation cost the liquidator had taken the stand that assets is part of the liquidation estate. Liquidator, however, submits that liquidator is ready to handover the possession and now date has also been fixed for handing over the possession between the parties and he is complying the directions issued by the Adjudicating Authority. Only grievance which has been raised by the appellant is with regard to directions issued in paragraph-10 where Adjudicating Authority has forwarded the copy of the order to the IBBI to take cognizance of the conduct of the liquidator.

4. Submission is that the present is not a case of any kind of misconduct by the Liquidator but due to secured creditor having not paid the liquidation cost as per Regulation 21A(2) of the Liquidation Regulation, the liquidation has taken the stand. Ld. Counsel appearing for Axis Bank submits that Liquidator has proceeded to auction the assets whereas the Axis Bank has already indicated that it shall realise its own security.

5. We have heard counsel for the parties and perused the records.

6. From the facts brought on the record there are issues pertaining to liquidation cost which was required to be deposited by the Axis Bank under Regulation 21(A)(2). However, Adjudicating Authority having allowed the application which directions which are not being objected and only prayer is confined with regard to directions contained in paragraph-10.

We are of the view that in facts of present case, directions issued in paragraph 10 needs to be deleted. We thus dismiss the appeal subject to deletion of direction in paragraph-10 of the impugned order.

[Justice Ashok Bhushan]
Chairperson

[Barun Mitra]
Member (Technical)

harleen/MD