



**NATIONAL COMPANY LAW TRIBUNAL  
CHANDIGARH BENCH (COURT-II), CHANDIGARH**

**CP(IB) No.140/Chd/Chd/2024**

*(An Application under Sections 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:-**

**M/s Omkara Assets Reconstruction Private Limited**

**Through its Authorized Officer Sh. Jaivardhan Kundapur,**

Having its Registered Office at No.9, MP Nagar, First Street,

Kongu Nagar Extension, Tirupur-641607, Tamil Nadu

And its Corporate Office at

Kohinoor Square, 47<sup>th</sup> Floor, N.C. Kelkar Marg,

R.G. Gadkari Chowk, Dadar (West), Mumbai-400028

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**.....Applicant/Financial Creditor**

vs.

**Telephone Cables Limited,**

SCO-68-70, Sector 17C, Chandigarh, India

Through Official Liquidator office at Corporate Bhawan,

2<sup>nd</sup> Floor, Plot No.4B, Sector 27B, Chandigarh

Email: [ol.chandigarh@mca.gov.in](mailto:ol.chandigarh@mca.gov.in)

Ph.: 0172-2659875

**...Respondent/Corporate Debtor**

**Order delivered on: 19.02.2026**

**CORAM: MR. K. BISWAL, MEMBER (JUDICIAL)**

**MR. KAUSHALENDRA KUMAR SINGH, MEMBER (TECHNICAL)**



**Present:-**

**For the Applicant** : Mr. Manish Jain, Senior Advocate along with Ms. Divya Sharma, Mr. Manan Jain, Advocates

**For the Respondent** : None

**ORDER**

1. This Application is filed under Section 7 of the IBC on transfer of winding up petition in CP No.272 of 2003 from the Hon'ble Punjab & Haryana High Court (**hereinafter referred to as 'Hon'ble High Court'**) at Chandigarh.

2. The winding up petition was filed against the Corporate Debtor by **M/s Bhushan Steel Limited** and winding up order was passed on 24.07.2015 and the Official Liquidator attached to the said Hon'ble High Court was appointed as its Liquidator. Thereafter, on an Application in CA No.7/2024 filed by one of the Secured Creditors namely-**Stressed Assets Stabilization Fund (SASF)**, the Hon'ble High Court had ordered that entire record of the case be transferred to the NCLT Chandigarh and the NCLT Chandigarh shall register the matter as being received from the Hon'ble High Court and shall proceed further from the same stage at which the matter had reached before it. For ready reference the relevant part of the order dated 22.03.2024 is reproduced hereunder:-

*“Perusal of the record shows that after filing of the winding up petition, this Court had passed the winding up order dated 24.07.2015. Thereafter, the Official Liquidator had taken the custody of the*



*Company in liquidation and its properties. However, nothing further has happened in the case.*

*Learned Senior Counsel for the applicant has relied upon the judgment rendered by the Hon'ble Supreme Court in case of 'Action Ispat and Power Pvt. Ltd. Vs. Shyam Metals and Energy Ltd. Civil Appeal No.4041 of 2020, decided on 15.12.2020, to submit that even after the passing of winding up order, unless something irreversible has happened, the petition could still be transferred to the National Company Law Tribunal (for short, 'NCLT'). It would be in the discretion of the Company Court to arrive at a decision on that point. It is further submitted that since nothing irreversible has happened in the matter; because none of the properties has been sold by the Official Liquidator so far, therefore, the present winding up petition alongwith all the application can very well be transferred to the NCLT, Chandigarh, which is required to take this job as a specialized institution.*

*As response to this, learned counsel appearing on behalf of the Official Liquidator, has not disputed the fact that no asset of the company has been sold by the Official Liquidator so far.*

*In view of the above, this Court finds that it would be in the fitness of the things, if the present winding up petition and all the applications, including CA-26-2023, are transferred to NCLT, Chandigarh.*

*Accordingly, it is ordered that entire record of the case be transferred to the NCLT, Chandigarh. However, it is ordered that the NCLT,*



*Chandigarh shall proceed further in the matter from the same stage at which the matter had reached before this Court.*

*The NCLT, Chandigarh shall, accordingly, register the matter as it is received from the High Court, without requiring filing of any fresh or further pleadings.”*

3. Following the said transfer order, the Application under Section 7 of the IBC, 2016 has been filed in NCLT Chandigarh Bench by the said Creditor-SASF. Later, during the course of the proceedings, the SASF had assigned its debt to the Applicant herein i.e. **Omkara Assets Reconstruction Pvt. Ltd.** and the matter has been pursued further by the present Applicant as **“Financial Creditor”**.

4. The averments made in the Application and as presented/argued by the Learned Counsel and also given in the brief written submission filed thereafter are summarized hereunder:-

### **BRIEF HISTORY**

4.1. The CD had availed the following loans in 1986-1998 from IDBI for its project:

FCL	:	₹ 512.37 lakhs	(07.10.1986)
Common Loan Agreement	:	₹ 232.00 lakhs	(02.11.1987)
Rupee Term Loan	:	₹ 110.24 lakhs	(29.03.1989)
Term Loan	:	₹ 1000.00 lakhs	(20.06.1995)
Rupee Term Loan	:	₹ 800.00 lakhs	(25.03.1998)



4.2 The Company envisaged a project for setting up facilities for manufacturing of Polyethylene insulated jelly-filled telephone cables with an installed capacity of 6.25 lakhs conductors KM p.a., at the Company's project. The Company was incorporated and the factory was set up in 1989. The factory was operating for more than 15 years, after which it started facing stress because of reasons not known to the lenders. However, the CD failed to adhere to financial discipline and as such the loan was recalled. The CD also failed to honour its commitments to its other creditors.

4.3 In the meantime, CP #272/2003 -M/s Bhushan Ltd. v/s Telephone Cables Ltd was filed in the High Court and an admission order 24.07.2015 under the Companies Act, 1956 was passed and the Official Liquidator attached to the Pb & Hry High Court was appointed to take over assets of the CD.

4.4 During pendency of the said proceedings, IDBI assigned its loan vis-à-vis the CD to Stressed Assets Stabilization Fund (SASF) which subsequently assigned the debt to the Applicant-Omkara Asset Reconstruction Pvt. Ltd. **(OARC) vide assignment deed dated 23.09.2024.** The substitution application IA #2613/2024 was allowed vide order dated 09.09.2025. An **amended memo of parties** has also been filed vide Diary #1761/5 dated 06.10.2025 which has also been taken on record.

4.5 After passing of the winding up order, SASF filed CA # 52 of 2018 before the Hon'ble P&H High Court for confirmation of sale of plant & machinery of the company. For the record, in the said sale proceedings, the



Official Liquidator had participated and had no objection to the sale being confirmed in favour of the highest bidder. Vide order dated 03.12.2019, the Hon'ble P&H High Court confirmed the sale and directed the SASF to deposit the sale proceeds with Official Liquidator.

4.6 In terms of the above direction, the SASF deposited Rs.8.90 Lacs the EMD received by it with the Official Liquidator on 02.01.2020. However, on account of certain delays in confirmation of sale, the auction purchaser backed out of the sale and thus EMD amount was forfeited by SASF. After forfeiting the said amount, SASF moved another application bearing CA # 26 of 2023 for seeking directions to the Official Liquidator to release the amount of Rs.8.90 Lacs deposited by it. The Hon'ble P&H High Court vide its **order dated 04.08.2023** passed a direction to the OL to release the said amount after retaining the Liquidation expenses. In terms of the said directions, the OL remitted the amount of Rs.9.61 Lacs to SASF after retaining Liquidation Expenses.

**Thus, all the attempts of sale proved futile and as such the assets remained unsold.**

4.7 In the meantime, the OL has issued the publications inviting Claims in various newspaper on 27.12.2022 with the last date as 26.01.2023. It is submitted that the OL has also filed a **status report dated 08.07.2024**.

4.8 Thereafter, SASF filed CA #7/2024 in CP # 272/2003 seeking transfer of the winding up proceedings from the High Court to this Hon'ble Tribunal on the basis of the judgment of the Hon'ble Supreme Court in **Action Ispat**



**& Power (P) Ltd. v/s Shyam Metallics & Energy Ltd.; (2021) 2 SCC 641.**

The said application was allowed vide **order dated 22.03.2024**. It was specifically directed in the said order as under:

*"Accordingly, it is ordered that entire record of the case be transferred to the NCLT, Chandigarh. However, it is ordered that the NCLT Chandigarh shall proceed further in the matter from the same stage at which the matter had reached before this Court.*

*The NCLT, Chandigarh shall, accordingly, register the matter as it is received from the High Court, without requiring filing of any fresh pleadings."*

4.9 Despite the above order, the Applicant filed Form 1 in accordance with the procedure engrafted under the IBC and the petition was registered as CP #140/2025.

**FACTS OF APPLICATION U/s 7, IBC**

**DEFAULT AMOUNT:**

4.10 This Application **u/s 7 of IBC, 2016** has been filed for default of **₹1806,56,97,3951-** (as on **30.04.2024**) which is due and payable by the Respondent. The break up of the amount is as follows:

Principal	:	Rs. 18,93,91,910/-
Interest	:	Rs. 83,22,68,131/-
Further Interest	:	Rs. 1519,32,94,624/-
Liquidated Damages	:	Rs. 185,07,42,730/-



**A. DATE OF DEFAULT AND ADMISSION OF DEFAULT:**

4.11 For the purposes of present petition, the Date of Default is **24.07.2015** when the winding up order was passed by the Hon'ble High Court.

4.12 The default is also evident from the Annual Balance Sheet of the Corporate Debtor as on 31.03.2014, wherein it has acknowledged its default.

4.13 Further, the Applicant has filed its Affidavit of proof of debt dated 18.01.2023 with the OL in Form-66 of the Companies (Court) Rules, 1959.

**B. RECORD OF DEFAULT:**

4.14 For the purposes of Record of Default, the Applicant has placed on record the Charge Forms i.e. Form-8 & Form-13 filed by CD before the ROC and the same is also visible in the **Index of Charges available on MCA website.**

4.15 IDBI had issued a Recall Notice dated 23.04.2002 to CD, thereby recalling all the facilities granted by it.

4.16 The Applicant has also placed on record CIBIL Report of CD in support of its claim.

4.17 It has also placed on record the account statements reflecting the debt of CD along with the Certificate under the Banker's Books of Evidence Act, 1891.

**C. IRP IS PROPOSED IN PRESENT SECTION 7 APPLICATION:**



4.18 The Applicant vide IA # 1847 of 2025 had proposed the name of IRP – Ducturus Resolution Professionals Pvt. Ltd. (IPE) - along with its consent in Form-2 dated 27.11.2025. The said application was duly allowed by this Hon'ble Tribunal vide its order dated 02.12.2025. Thus, the mandatory requirement of Section 7 application regarding proposing the name of IRP has been fulfilled by the Applicant.

**D. VALID AUTHORITY IN FAVOUR OF MR. JAIVARDHAN KUNDAPUR TO FILE PRESENT SECTION 7 APPLICATION:**

4.19 During the pendency of the present proceedings before this Hon'ble Tribunal, SASF assigned the debt of CD to OARC vide an Assignment Deed dated 31.08.2024. The Applicant filed IA # 2613 of 2024 for substituting its name in place of SASF as the Assignee. The said application was allowed by this Hon'ble Tribunal vide order dated 09.09.2025.

4.20 For the record, in the above application, a Board Resolution dated 27.06.2024 in favour of Mr. Jaivardhan Kundapur, is duly placed on record. Thus, there is no deficiency in respect of the authority given to Mr. Jaivardhan Kundapur to file the present application.

4.21 The application is thus complete in all respects in terms of Section 7 (2), IBC and there are no disciplinary proceedings pending against the proposed IRP. Even otherwise, the order dated 24.07.2015 passed by the Hon'ble High Court admitting the winding up petition against the CD cannot be ignored and also conclusively establishes the failure on the part of the CD to repay its admitted debt. Thus, the present application deserves to be



admitted against the Corporate Debtor as debt & default duly stand established.

5. It is noted that vide order dated 06.06.2024, this Adjudicating Authority had also clarified that under the provisions of the IBC, the resolution process has to be exhausted first before going for liquidation. As such, the Application will have to be considered for initiation of the CIRP in accordance with the provisions of IBC and only in the event when resolution of the CD is not possible, the orders for liquidation can be made. For ready reference the relevant part of the order dated 06.06.2024 is reproduced hereunder:-

*“The learned counsel for the petitioner-Financial Creditor is under the impression that the matter will have to be proceeded from the stage of liquidation. It is hereby clarified to him that since Section 7 petition has been filed and no assets have been sold by the Liquidator or nothing irreversible has happened so far, as observed by the Hon’ble Punjab & Haryana High Court, Chandigarh. The resolution process has to be exhausted first before going to liquidation under IB Code, 2016.*

*The Hon’ble High Court in its order dated 22.03.2024 has observed that NCLT, Chandigarh shall proceed further in the matter from the same stage at which the matter is reached before the Hon’ble High Court. It may be noted that the proceedings before the Hon’ble High Court are under the provision of Companies Act, whereas the proceedings before this Adjudicating Authority are under the provision of IB Code, 2016.*



*Therefore, the compliance to the provision of IB Code is a pre-requisite unless the Hon'ble High Court after taking due note of provision of Insolvency and Bankruptcy Code, 2016 and direct this Adjudicating Authority to ignore the CIRP process and consider the application for liquidation under IBC. In fact, if liquidation is considered by ignoring the CIRP process, it will tantamount to depriving the Corporate Debtor from exercise of his legitimate right.*

*The counsel has prayed for grant of sometime to assist this Adjudicating Authority regarding the above. Time prayed for is granted. Let Registry serve notice on the Liquidator to be present and submit the progress report in the matter to enable this Adjudicating Authority to note the status of the matter and proceed further as per the provisions of IB Code, 2016.”*

6. In compliance with the Order dated 06.06.2024, the Official Liquidator has filed his report dated 08.07.2024 on the status of the matter. For ready reference the same is reproduced hereinunder:-

*That M/s Telephone Cables Limited was ordered to be wound up by the Hon'ble High Court of Punjab and Haryana at Chandigarh vide order dated 24.07.2015 passed in CP No 272 of 2003 and the Official Liquidator attached to the said Hon'ble High Court appointed as its Liquidator.*

*That it is pertinent to mentioned here that while passing winding up order dated 24.07.2015 the Hon'ble High Court of Punjab and Haryana*



*at Chandigarh was inter-alia pleased to direct that "the petition is ordered to be wound up and the Official Liquidator is appointed its Liquidator. Since movable and immoveable assets had already been taken over by the Secured Creditor, in case any effort is being made to sell the property of the company in liquidation, the Secured creditor would associate the Official Liquidator attached to this Court and the said sale of the assets shall be confirmed subject to the order of this Court".*

*That pursuant to order dated 03.12.2019 passed by the Hon'ble High Court at Chandigarh in CA No 51-52 the sale of movable assets was confirmed in favour of highest bidder with directions to SASF to deposit the sale proceeds with the office of the Official Liquidator. Further, in compliance of above order dated 03.12.2019, SASF have remitted the EMD amount of Rs. 8.90 Lacs with the Official Liquidator on 02.01.2020.*

*That pursuant to the order dated 04.08.2023 passed by the Hon'ble High Court at Chandigarh in CA No 27 of 2023, this office has released amount of Rs.(9,61,124/- to SASF on 17.08.2023 after retaining the liquidation expenses and presently no funds are lying in the account of the company (In Liqn.) with the Office of the Official Liquidator.*

*That the Official Liquidator has also invited claim from the workmen/creditors of the company (in liqn.) by way of publication of Claim Notice in various Newspaper on 27.12.2022 and the last date submission of claim was 26.01.2023. In response thereto, three claims*



*were received from Secured Creditors namely SASF, IARC & Canara Bank (Secured Creditors). Further, four other creditors have filed their claims in ordinary manner prior to invitation of claims.*

*That further SASF has filed CA No 26 of 2023 before the Hon'ble High Court of Punjab and Haryana at Chandigarh for seeking permission to sell the movable assets of the company (In Liqn.) under SARFAESI Act, 2002 without involving the Official Liquidator, and the said Hon'ble High Court of Punjab and Haryana at Chandigarh vide order dated 22.03.2024 passed in CA-7-2024 in CP-272-2003 was pleased to transfer the subject cited winding-up petition & all applications to NCLT, Chandigarh and also directed the NCLT, Chandigarh to proceed further in the matter from the same stage at which the matter had reached before Hon'ble High Court, Chandigarh.*

7. It is also noted that an Application in IA(IBC)2184/2024 was filed by the Ex-Director namely Ms. Babli Brar to implead her as a party/respondent in CP No.140/2024. Vide order dated 04.03.2025, as no representation on her behalf was being made, the Learned Counsel for the Applicant-Financial Creditor was directed to inform her the next date of hearing through email. Despite, the communication as supported by the service affidavit placed on record, none appeared for the said Ex-Director and therefore the Application in IA(IBC)2184/2024 was dismissed vide order dated 24.04.2025 for want of prosecution.



8. Further as per order dated 02.12.2025 in the present company petition, the copy of the said order dated 24.04.2025 was also served upon to said Director named Ms. Babli Brar and service affidavit thereon has been filed by the Applicant-Financial Creditor herein. Vide order dated 09.09.2025, amended memo of parties whereby present Applicant replaced the SASF was taken on record, the Applicant was also directed to take step for making Official Liquidator also as a necessary party in the array of Respondents.

9. It was submitted that as the winding up order was already passed by the Hon'ble High Court and the Corporate Debtor is represented by the Official Liquidator, no further defence could have been made by the erstwhile Directors of the Corporate Debtor.

**CONCLUSION AND DIRECTIONS:**

10. In above background we have considered the Application under Section 7 of the IBC. We find that there is a default in payment of the debt and the amount of the said debt is above the threshold limit. The matter has come up on transfer from Hon'ble High Court. The winding up petition which was filed before the Hon'ble High Court was already admitted and the Official Liquidator was appointed as a Liquidator. However, there has been no progress as regards sale of the assets of the CD. We also find that the Application in Section 7 of the IBC is complete and well within the limitation period and accordingly, we admit the Application.

11. Accordingly, we allow this application and order as under:



I. Corporate Debtor- **Telephone Cables Limited**, is admitted in the Corporate Insolvency Resolution Process under section 7 of the Insolvency & Bankruptcy Code, 2016.

II. The 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 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.

III. The order of moratorium shall have effect from the date of this Order till the completion of the Corporate Insolvency Resolution Process or until this Adjudicating Authority approves the Resolution Plan under sub-section (1) of the Section 31 or passes an order for



liquidation of Corporate Debtor Company under Section 33 of the IBC, 2016, as the case may be.

IV. As proposed by the financial creditor, we appoint Ducturus Resolution Professional Pvt. Ltd. (**DRPPL/IPE**), registered as an IPE to act as an IP having registration No.**IBBI/IPE-0026/IPA-1/2022-23/50040**, through its Director Ms. Sunita, an Insolvency Professional registered with the Indian Institute of Insolvency Professionals of ICSI(IIPI), having registration No.**IBBI/IPA-002/IP-NO1208/2021-2022/14031**, to act as Interim Resolution Professional (IRP) under Section 13(1)(c) of the IBC, 2016 in respect of the CIRP of the corporate debtor. IRP shall conduct the Corporate Insolvency Resolution Process of the corporate debtor as per the provisions of the Insolvency and Bankruptcy Code, 2016 read with Regulations made thereunder.

V. The IRP so appointed shall make a public announcement of initiation of Corporate Insolvency Resolution Process (CIRP) and call for submission of claims under Section 15 as required by Section 13(1) (b) of the Code.

VI. 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. The corporate debtor to provide effective assistance to the IRP as and when he takes charge of the assets and management of the corporate debtor.



VII. The IRP shall perform all functions as contemplated, *inter alia*, in 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 management of the Corporate Debtor are under 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, do not assist or co-operate, the IRP is at liberty to make appropriate application to this Adjudicating Authority with a prayer for passing an appropriate order.

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

IX. The Financial Creditor is directed to pay an advance of **₹4,00,000/- (Rupees Four Lacs only)** to the IRP to meet out the initial CIRP cost within two weeks from the date of receipt of this Order for smooth conduct of Corporate Insolvency Resolution Process (CIRP) and IRP to file proof of receipt of such amount before this Adjudicating Authority along with First Progress Report. Subsequently, the IRP may raise further demands for Interim funds, which shall be provided as per Rules.



X. The Registry is directed to communicate a copy of this Order to the Financial Creditor, Corporate Debtor and to the Interim Resolution Professional and the concerned Registrar of Companies, within seven working days and upload the same on website immediately after pronouncement of this Order.

XI. The IRP shall also serve a copy of this Order to various departments such as Income Tax, GST, State Trade Tax and Provident Fund, etc. who are likely to have their claim against Corporate Debtor as well as to the trade unions/ employee's associations so that they are timely informed about the initiation of CIRP against the corporate debtor.

XII. The commencement of the Corporate Insolvency Resolution process shall be effective from the date of this order.

12. Accordingly, the Application in **CP(IB) No.140/Chd/Chd/2024 stands admitted and disposed of.**

Sd/-

**(K.K. SINGH)**  
**MEMBER (TECHNICAL)**  
Priyanka/Stenographer

Sd/-

**(K. BISWAL)**  
**MEMBER (JUDICIAL)**