THE NATIONAL COMPANY LAW TRIBUNAL
CHANDIGARH BENCH, COURT-I, CHANDIGARH
(Exercising powers of Adjudicating Authority under the Insolvency and Bankruptcy Code, 2016)

CP (IB) No. 23/CHD/CHD/2026

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

IN THE MATTER OF:
M/S BASANDRAI BOTTLERS PRIVATE LIMITED
CIN: U15511CH1992PTC012786
Having its registered office at:
SCF 247, 1st Floor Market
Manimajra, Chandigarh, 160101

Through Authorised Signatory
MR. VIVEK BASANDRAI
R/o 228/1, Haripur Colony, Sunder Nagar,
Mandi, Himachal Pradesh, India, Pincode: 175018

...Corporate Applicant/Debtor

Order delivered on: 20.02.2026

Coram: HON'BLE SH. KHETRABASI BISWAL, MEMBER (JUDICIAL)

HON'BLE SH. SHISHIR AGARWAL, MEMBER (TECHNICAL)

Present:

For the Petitioner: Mr. Prashant Katara, Advocate
Mr . Shivam Gupta, Advocate

ORDER

1. The present petition has been instituted by M/s Basandrai Bottlers Private Limited (hereinafter referred to as the "Corporate Applicant/Corporate Debtor") through its Authorised Signatory, under Section 10 of the Insolvency and Bankruptcy Code, 2016, seeking commencement of the Corporate Insolvency Resolution Process in respect of the Corporate Debtor on account of an admitted financial default aggregating to ₹1,80,31,404/-.

2. The averments made by the Corporate Debtor in the application, which are relevant for adjudicating the matter, are summarised as under:

(i) The Corporate Applicant is a private limited company incorporated on 02.12.1992 under the provisions of the erstwhile Companies Act,1956, bearing Corporate Identification Number (CIN) U15511CH1992PTC012786, and is engaged in the business of brewery and Indian Made Foreign Liquor (IMFL), as reflected in its Memorandum and Articles of Association. The registered office of the Company is situated at SCF-247, 1st Floor, Motor Market, Manimajra, Chandigarh–160101; therefore, the present petition has been preferred before this Adjudicating Authority.

(ii) It is submitted that on 23.11.2009, the Corporate Debtor availed financial assistance from The Himachal Pradesh State Co-operative Bank Ltd., Nerchowk. The Financial assistance comprising a Term Loan of ₹71.42 lakhs and a Working Capital

facility of ₹1.00 crore, pursuant to the sanction letter dated 25.11.2009, placed on record as Annexure A-8.

(iii) It is submitted that the Term Loan account was repaid and closed on 26.10.2018; however, the Working Capital facility was renewed. Owing to adverse market conditions and financial stress, the Corporate Debtor failed to regularise the said account, resulting in mounting arrears.

(iv) It is further submitted that the loan account was classified as Non-Performing Asset as on 31.08.2019, the audited financial statements for the following financial years, i.e. FY 2022–23, FY 2023–24 and FY 2024–25, reflect the outstanding dues payable to the Financial Creditor as subsisting borrowings, without any qualification or dispute as to liability. The Notes to Accounts also disclose the continued NPA status, thereby evidencing acknowledgement of debt in writing within the meaning of Section 18 of the Limitation Act. Accordingly, the present application is within limitation.

(v) Accordingly, notice dated 27.04.2022 under Section 13(2) of the SARFAESI Act was issued by the Financial Creditor demanding ₹1,46,24,404.25/-, placed on record as Annexure A-10. Subsequently, a Possession Notice dated 13.02.2024 under Section 13(4) of the SARFAESI Act was also issued, which is placed on record as Annexure A-11.

(vi) It is further submitted that the existence and continuity of default are borne out from the audited financial statements for

FY 2022-23, FY 2023-24 and FY 2024-25, placed on record as Annexure A-6, as well as the Provisional Financial Statements for the period 01.04.2025 to 30.11.2025, along with the relevant bank statements, which establish the default by the Corporate Debtor, placed on record as Annexure A-14, which reflect persistent financial distress and outstanding dues.

(vii) It is submitted that the present application has been duly authorised by a Special Resolution passed by the shareholders of the Corporate Debtor in the Extra-Ordinary General Meeting held on 29.11.2025, in compliance with Section 10 of the Code read with Rule 7 of the Adjudicating Authority Rules.

(viii) It is further submitted that the written consent of the proposed Interim Resolution Professional in Form 2, placed on record as Annexure A-17, along with the Certificate of Registration and valid Authorisation for Assignment (AFA), has also been annexed.

(ix) It is, therefore, submitted that the Corporate Debtor has committed default in repayment of financial debt exceeding the statutory threshold, that the application is complete in all respects, and that the present petition under Section 10 of the Code has been filed bona fide for resolution of its financial distress.

3. Heard the Ld. Counsel for the Corporate Debtor. We have carefully perused the documents placed on record and we have gone through the

extant provisions of the Code and the rules and regulations made thereunder.

4. As per Section 10 of the Code, a Corporate Applicant can file an application before the Adjudicating Authority, seeking initiation of the CIRP of the Corporate Debtor that has committed a default, in a prescribed form by enclosing the following:

> *a) The information relating to its books of account and such other documents for such period as may be specified;*
> *b) The information relating to the resolution professional proposed to be appointed as an interim resolution professional; and*
> *c) The Special resolution passed by shareholders of the Corporate Debtor or the resolution passed by at least three-fourths of the total number of partners of the Corporate Debtor, as the case may be, approving the filing of the application.*
> *As per 10(4), the Adjudicating Authority can admit an application if the same is complete and no disciplinary proceedings are pending against the proposed Resolution Professional.*

5. At this juncture, it will be advantageous to consider what the requirements are for admitting an application under section 10 of the Code. For this purpose, it is useful to refer to the judgment of the **Hon'ble NCLAT in Unigreen Global Pvt. Ltd. VS. Punjab National Bank & Ors. CA (AT) (INS. 81/2017)** wherein it was held that:

> *"20. Under both Section 7 and Section 10, the two factors are common i.e. the debt is due and there is a default. Subsection (4) of Section 7 is similar to that of sub-section (4) of Section 10. Therefore, we hold that the law laid down by the Hon'ble Supreme Court in "Innoventive Industries Ltd. (Supra) is applicable for Section 10 also, wherein the Hon'ble Supreme Court observed as "The moment the adjudicating authority is satisfied that a default has occurred, the application must be admitted unless it is incomplete, in which case it may give notice to the applicant to rectify the defect within 7 days of receipt of a notice from the adjudicating authority".*

22. Section 10 does not empower the Adjudicating Authority to go beyond the records as prescribed under Section 10 and the information as required to be submitted in Form 6 of the Insolvency and Bankruptcy (Application to the Adjudicating Authority) Rules, 2016 subject to ineligibility prescribed under Section 11. If all information is provided by an applicant as required under Section 10 and Form 6 and if the Corporate Applicant is otherwise not ineligible under Section 11, the Adjudicating Authority is bound to admit the application and cannot reject the application on any other ground.

23. Any fact unrelated or beyond the requirement under I & B Code or Forms prescribed under Adjudicating Authority Rules (Form 6 in the present case) are not required to be stated or pleaded. Non-disclosure of any fact, unrelated to Section 10 and Form 6 cannot be termed to be suppression of facts or to hold that the Corporate Applicant has not come with clean hands except the application where the 'Corporate Applicant' has not disclosed disqualification, if any, under Section 11. Nondisclosure of facts, such as that the 'Corporate Debtor' is undergoing a corporate insolvency resolution process; or that the 'Corporate Debtor' has completed corporate insolvency resolution process twelve months preceding the date of making of the application; or that the corporate debtor has violated any of the terms of resolution plan which was approved twelve months before the date of making of an application under the said Chapter; or that the corporate debtor is one in respect of whom a liquidation order has already been made can be a ground to reject the application under Section 10 on the ground of suppression of fact/not come with clean hand.

xxx xxx xxx

25. Similarly, if any action has been taken by a 'Financial Creditor' under Section 13(4) of SARFAESI Act, 2002 against the Corporate Debtor or a suit is pending against Corporate Debtor under Section 19 of DRT Act, 1993 before a Debt Recovery Tribunal or appeal pending before the Debt Recovery Appellate Tribunal cannot be a ground to reject an application under Section 10, if the application is complete."

6. It emerges that the outstanding liability of the Corporate Debtor towards the Financial Creditor, as well as the Operational Creditors, is evident. The material produced indicates that default in repayment of the aforesaid debt by the Corporate Debtor has occurred and continues to subsist. The classification of the loan account as an NPA on 31.03.2022, the bank statements reflecting continued non-servicing of the loan

thereafter, and the initiation of proceedings under the SARFAESI Act by the Financial Creditor, including issuance of demand and possession notices, collectively lend support to the occurrence of default.

7. After consideration of the application in light of Section 10(3) of the Code, and the rules and regulations made thereunder, we are satisfied that all mandatory documents, including the audited and provisional financial statements, bank statements evidencing default, lists of Financial and Operational Creditors, the written consent of the proposed Interim Resolution Professional with a valid Authorisation for Assignment, and the Special Resolution of the shareholders, have been duly filed and placed on record, rendering the application by the Corporate Debtor complete.

8. The Corporate Debtor claims that it is not hit by any of the disqualifications under Section 11 of the Code, it being neither under any corporate insolvency resolution process nor liquidation, and no application filed by it under Section 10 of the Code having been rejected within the preceding twelve months; the present application is, therefore, maintainable. We are satisfied that the invocation of Section 10 of the Code, duly authorised by the shareholders and supported by contemporaneous financial disclosures acknowledging subsisting liabilities.

9. We are satisfied that the statutory requirements under Section 10 of the Code are fulfilled, and in exercise of the powers conferred on this Tribunal under Section 10(4) of the Code, we hereby admit the present petition and Order commencement of the Corporate Insolvency Resolution Process in respect of *M/s Basandrai Bottlers Private Limited*.

10. It is further observed that in Part II of Form-6, the Corporate Debtor has proposed Ms Bhavna Bansal, Insolvency Professional registered with the IBBI bearing Registration No. IBBI/IPA-001/IP-P-02716/2022-2023/ 14150, as the Interim Resolution Professional. Her written consent in Form-2, along with a valid Authorisation for Assignment issued by the Indian Institute of Insolvency Professionals of ICAI for the period 22.12.2025 to 31.12.2026, has been placed on record. The proposed Interim Resolution Professional has further certified that no disciplinary proceedings are pending against her with the Insolvency and Bankruptcy Board of India or the Indian Institute of Insolvency Professionals of ICAI, and has affirmed her eligibility to be appointed as Interim Resolution Professional of the Corporate Debtor in accordance with the provisions of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016. Being satisfied with her credentials and consent, we appoint Ms Bhavna Bansal as the Interim Resolution Professional to discharge the functions under the Code. We further direct the Interim Resolution Professional to make the public announcement in terms of Section 13(2) of the Code read with Regulation 6 of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016, forthwith and in any event within three days from the date of her appointment.

11. We further direct the Corporate Debtor to deposit a sum of Rs. 2,00,000/- with the Interim Resolution Professional, Ms Bhavna Bansal, towards meeting the expenses for discharge of her functions in terms of Regulation 6 of the IBBI (Insolvency Resolution Process for Corporate

Persons) Regulations, 2016, within three days from the date of receipt of this order. The said amount shall be subject to adjustment against the CIRP costs in accordance with the law.

12. We also declare a moratorium in terms of Section 14 of the Code. The necessary consequences of imposing the moratorium flow 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."*
> *(e) Notwithstanding anything contained in any other law for the time being in force, a licence, permit, registration, quota, concession, clearance or a similar grant or right given by the Central Government, State Government, local authority, sectoral regulator or any other authority constituted under any other law for the time being in force, shall not be suspended or terminated on the grounds of insolvency, subject to the condition that there is no default in payment of current dues arising for the use or continuation of the license, permit, registration, quota, concession, clearances or a similar grant or right during the moratorium period."*

13. We hereby clarify that the moratorium declared under Section 14 of the Code shall be subject to the statutory exclusions therein, and the supply of essential goods or services to the Corporate Debtor shall not be terminated, suspended, or interrupted during the moratorium period. In

terms of Section 14(3)(b) of the Code, the moratorium shall not apply to a surety in a contract of guarantee to the Corporate Debtor. The Interim Resolution Professional shall discharge her duties in accordance with Sections 15, 17, 18, 19, 20, and 21 of the Code and the rules and regulations made thereunder, and all personnel, promoters, directors, and persons associated with the management of the Corporate Debtor are directed to extend full cooperation as mandated under Section 19. In case of any non-cooperation or detection of preferential, undervalued, fraudulent, or other illegal transactions, the Interim Resolution Professional shall be at liberty to approach this Adjudicating Authority and shall ensure preservation and protection of the assets of the Corporate Debtor in terms of Section 20 of the Code.

14. The Corporate Applicant is further directed to serve a copy of this Order upon the Registrar of Companies having jurisdiction, by all permissible modes, for updating the master data of the Corporate Debtor. The Registrar of Companies shall forthwith submit a compliance report in this regard to the Registry of this Tribunal after receipt of a copy of this Order.

15. Accordingly, the present petition bearing **CP(IB) No. 23/CHD/CHD/2026** is ***allowed***, and the petitioner company, *M/s Basandrai Bottlers Private Limited*, is ***admitted*** into the Corporate Insolvency Resolution Process.

16. The Registry is directed to communicate a copy of this Order to the Corporate Debtor and to the Interim Resolution Professional immediately.

Sd/-
(Shishir Agarwal)
Member (Technical)

Sd/-
(Khetrabasi Biswal)
Member (Judicial)

Yuvraj