



IN THE NATIONAL COMPANY LAW TRIBUNAL MUMBAI BENCH-II

CP (IB) No. 374/MB/2024

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

Ordered on: 17.06.2026

IN THE MATTER OF

CENTRAL BANK OF INDIA

[CIN: U99999MH1911PTC000337]

Central office at, Chandramukhi, Nariman Point,
Mumbai-400021, and
Asset Recovery Branch, at Zonal Office Building,
317, M.G. Road, Camp, Pune – 411001.

...Applicant/ Financial Creditor

VS

DEEPAK EDUCATION LIMITED

[CIN: U80903MH2000PLC124079]

316-320, 1st Floor, Sunbeam Apartment,
Raja Rammohan Roy Road,
Opp Hinduja College, Charni Road,
Mumbai- 400004.

...Respondent/ Corporate Debtor

CORAM:

HON'BLE SHRI ASHISH KALIA, MEMBER (JUDICIAL)

HON'BLE SHRI SANJIV DUTT, MEMBER (TECHNICAL)

Appearances: Hybrid

For the Applicant(s) : Adv. Amir Arsiwala a/w Adv. Tejasvi Dalvi.

For the Respondent(s) : None



ORDER

[PER: HON'BLE SHRI ASHISH KALIA, MEMBER (JUDICIAL)]

1. BACKGROUND

- 1.1 This Company Petition bearing C.P. (IB) No.374/MB/2024 (hereinafter referred to as “the Application”) was filed on 07.10.2023 under Section 7 of the Insolvency and Bankruptcy Code, 2016 (hereinafter referred to as “the Code”) read with Rule 4 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 (hereinafter referred to as “the AAA Rules”) by **Central Bank of India**, the Financial Creditor (hereinafter referred to as “the Financial Creditor”), through **Mr. Nilesh Manwatkar** , working as Chief Manager of the Financial Creditor, authorized vide Power of Attorney dated 19.12.2016, for initiating Corporate Insolvency Resolution Process (hereinafter referred to as “CIRP”) in respect of **Deepak Education Limited** (hereinafter referred to as “the Corporate Debtor”).
- 1.2 The total amount claimed to be in default Rs.44,68,93,218/- (Rupees Forty Four Crore Sixty Eight Lakhs Ninety Three Thousand Two Hundred and Eighteen only) including principal debt of Rs.13,61,00,000/- along with accrued interest of Rs.32,67,90,309/- and penal interest 1,77,02,909/- less recovery of 3,37,00,000/- up to 30.06.2023.
- 1.3 The date of default as mentioned in Part-IV of the Application is 31.03.2015, i.e., the date on which the Corporate Debtor defaulted in the payment of the aforementioned loans. Since the Corporate Debtor defaulted in payment of its outstanding dues, the Financial Creditor prays that CIRP may be initiated in



respect of the Corporate Debtor under Section 7 of the Code.

2. AVERMENTS OF FINANCIAL CREDITOR

- 2.1 In the year 2013, the Financial Creditor sanctioned a term property loan loan of Rs. 15,00,00,000/- vide sanction letter dated 20.05.2013. Subsequently, vide the Board Resolution dated 04.03.2013, the Corporate Debtor confirmed the said facility and authorized Mr. Deepak Mistry to execute the loan and security documents.
- 2.2 Pursuant to the sanction of the aforesaid loan, the Corporate Debtor executed various financing and security documents in favour of the Financial Creditor, including Facility Agreements and Guarantee Deeds.
- 2.3 Later the Corporate Debtor availed and utilized the aforesaid credit facilities but the Corporate Debtor failed to adhere to the repayment obligations as per the agreed terms and committed default in repayment of the loan facilities on 31.03.2015.
- 2.4 Pursuant to the account being declared as NPA, the Corporate Debtor was still repaying some amounts in installments till 20.01.2016, since then no repayment was made by the Corporate Debtor.
- 2.5 Pursuant to the said default, the Financial Creditor sent the Legal Notice dated 22.03.2017 to the Corporate Debtor and its guarantors calling upon them to repay, jointly and severally the total outstanding amount. Despite receipt of the aforesaid notices, the Corporate Debtor failed to make payment of the outstanding amount. Since then no payment was made by the Corporate Debtor, but was duly acknowledging the claim in their Audited Books of Account.



- 2.6 Subsequently, it came to the knowledge of the Financial Creditor that one of the mortgaged property of the Corporate Debtor was being demolished without their consent. Hence, an interim application was filed before DRT II Mumbai and vide order dated 15.11.2022 restrained by an order of injunction M/s Sanghvi Parrsava Enterprises LLP from parting with or handing over the possession of the newly constructed premises to the Guarantors of the Corporate Debtor.
- 2.7 The Corporate Debtor vide its letter dated 25.01.2023 sent an One Time Settlement, where he proposed to pay 5,00,00,000/-, to which the Financial Creditor requested to increase the amount further vide its letter dated 27.01.2023.
- 2.8 The Financial Creditor has also placed on record the authenticated report of default dated 12.06.2023 issued by the Information Utility (NeSL), thereby further substantiating the occurrence of default on the part of the Corporate Debtor.
- 2.9 Since the Corporate Debtor has failed to pay the aforesaid outstanding amount till date despite receipt of legal notice, the Financial Creditor prays that the present Application be allowed and CIRP may be initiated in respect of the Corporate Debtor.

3. CONTENTIONS OF THE CORPORATE DEBTOR.

- 3.1 The Corporate Debtor was served a copy of the said Application through email dated 07.07.2023 at its registered email address as per the Master Data of the Corporate Debtor. Later, the Corporate debtor was served fresh notices on 04.06.2024 through the Registry (copy of affidavit of service not there with me).



- 3.2 Pursuant to the ex-parte order the Corporate Debtor represented in person and requested to file an IA for setting aside the ex-parte order. Subsequently, the Corporate Debtor did file the IA but is still under defects. Hence, we cannot consider the submissions given by the Corporate Debtor and proceed with the order as ex-parte.
- 3.3 Since the Corporate Debtor remained unrepresented in the proceedings, it was set as ex-parte vide order dated 28.06.2024. Hence, we proceed to deal with the matter based on the materials available of record.

4. ANALYSIS AND FINDINGS

- 4.1 We have perused all the documents and pleadings and heard the Ld. Counsel for the Financial Creditor.
- 4.2 The sole issue to be determined in the matter is limitation.
- 4.3 As far as the issue of limitation is concerned, we observe that the Application was filed on 07.10.2023, while the date of default mentioned in Part- IV of the application is 31.03.2015 i.e. date on which the Corporate Debtor defaulted in the payment of monthly instalments.
- 4.4 Since, the date of default is way before the filing date, subsequently vide an additional affidavit dated 21.10.2024, the Financial Creditor submitted the copies of Audited Financial Statements of the Corporate Debtor from the FY 2013-14 to FY 2021-22 disclosing the amount of Term Loan obtained from the Central Bank of India (FC). It is well settled that the disclosure of debt in the Balance Sheet of the Corporate Debtor amounts to acknowledgement of debt. Further, it is observed that the CD proposed an OTS dated 25.01.2023 to the Financial Creditor which also can be construed as an Acknowledgment of Debt.



Therefore, it cannot be said that the present Application is not filed within the limitation period.

- 4.5 We find that despite several opportunities granted by this Adjudicating Authority to the Corporate Debtor to be represented; file its reply; and present the case on its merits, it chose not to avail itself of the opportunities. As a result, the Corporate Debtor was set ex-parte.
- 4.6 There is nothing to indicate that the Corporate Debtor has tried to repay the debt and liability as admitted by it after the last repayment in 2016, hence it is in default of the amount as pleaded by the Financial Creditor. Thus we hold that the Financial Creditor has successfully demonstrated and proved the debt and default in this case. It is reiterated that the Corporate Debtor admits the said outstanding debt. Therefore, we are of the considered view that this Application is complete and satisfies all the necessary requirements for admission under Section 7 of the Code.
- 4.7 The Financial Creditor has proposed the name of **Mr. Anil Kashi Drolia**, registered Insolvency Professional having Registration Number- **IBBI/IPA-001/IP-P02327/2020-2021/13482**, as the Interim Resolution Professional (hereinafter referred to as “the IRP”), to carry out the functions as mentioned under IBC. The proposed IRP has given its written consent and the same is placed on record. It is also certified in Form 2 that no disciplinary proceedings are pending against him.
- 4.8 In view of above discussions, we find that all pre-requisites of Section 7(5)(a) of the Code are fulfilled and, accordingly, we are satisfied that the instant Application is fit for admission under Section 7 of the Code.



ORDER

In the result, this Application bearing **C.P. (IB) No.374/MB/2024** under Section 7 of the Code read with Rule 4 of the AAA Rules, filed by the Applicant **Central Bank of India**, the Financial Creditor, for initiating CIRP in respect of Respondent **Deepak Education Limited**, the Corporate Debtor 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;
 - 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 Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (54 of 2002);
 - d) 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. Anil Kashi Drolia**, a registered Insolvency Professional having **Registration No. IBBI/IPA-001/IP-P02327/2020-2021/13482** and **e-mail address anildrolia.ip@gmail.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 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.3,00,000/- (Three 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.



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

Sd/-

SANJIV DUTT

MEMBER (TECHNICAL)

//LRA-Mukund Mandrawaliya//

Sd/-

ASHISH KALIA

MEMBER (JUDICIAL)