

IN THE NATIONAL COMPANY LAW TRIBUNAL
NEW DELHI BENCH
COURT-IV

I.A. NO. 6318 OF 2025
IN
C.P. IB 559 (ND) OF 2021

IN THE MATTER OF:

Mr. Ashok Arora,
Resolution Professional
Presidium Educational Institution Pvt. Ltd.

...Applicant

AND IN THE MATTER OF:
Yes Bank Limited

... Financial Creditor

Versus
Presidium Educational Institution Pvt. Ltd.

...Corporate Debtor

CORAM:

SHRI MANNI SANKARIAH SHANMUGA SUNDARAM
HON'BLE MEMBER (JUDICIAL)

SHRI ATUL CHATURVEDI
HON'BLE MEMBER (TECHNICAL)

Order Delivered on: 01.06.2026

PRESENT:

For the Applicant: Mr. Rashmi Raj, Ms. Kiran Bisht, Ms. Yashika, Ms.
Neha Shah, Advocates.

ORDER

PER: MANNI SANKARIAH SHANMUGA SUNDARAM, MEMBER (JUDICIAL)

1. The present Application is being filed by the Mr. Ashok Arora, Resolution Professional of Presidium Educational Institution Pvt. Ltd. under Section



12(2) of the Insolvency and Bankruptcy Code, 2016 (“Code”) read with Regulation 40 and Regulation 39(8) of the Insolvency Resolution Process for Corporate Persons Regulations, 2016 (“CIRP Regulations”) seeking the following reliefs:

- “a) Allow the present application;*
- b) Extend the Corporate Insolvency Resolution Process period of the Corporate Debtor Presidium Educational Institution Pvt. Ltd by a further period of 90 days from 25.12.2025*
- c) Pass such other and further orders as this Hon'ble Tribunal may deem fit in the interest of justice.”*

2. SUBMISSIONS OF THE APPLICANT/RESOLUTION PROFESSIONAL:

- i.** The NCLT, New Delhi Bench III vide its order dated 29.11.2022 initiated the Corporate Insolvency Resolution Process against the Presidium Educational Institution Pvt. Ltd ("Corporate Debtor") filed by the Yes Bank Limited("Financial Creditor") under Section 7 of the Code and via the same order appointed IP Mr. Ganga Ram Agarwal as the Interim Resolution Professional ("IRP").
- ii.** Subsequently, Adjudicating Authority vide order dated 31.03.2023 replaced IRP Mr. Ganga Ram and appointed IP Mr. Anil Goel as the RP of the Corporate Debtor on the request of one of the Financial Creditors of the Corporate Debtor i.e., M/s. J.C. Flowers Asset Reconstruction Pvt. Ltd.
- iii.** In the fifth meeting of the CoC held on 09.05.2023, the members of the CoC passed a resolution with 100% voting share approving the extension of the Corporate Insolvency Resolution Process ("CIRP") period for 90 days beyond the initial 180 days. In the same meeting, the members of the CoC also approved, with 100% voting share, a resolution for exclusion of 91 days period from the computation of the CIRP timeline. Pursuant thereto, the erstwhile



Resolution Professional("RP") filed I.A. No. 3167 of 2023 seeking such reliefs, and the Adjudicating Authority, vide its order dated 13.07.2023, allowed the application and accordingly excluded the CIRP period by 91 days, i.e., from 24.02.2023 to 26.05.2023.

- iv.** Furthermore, the members of CoC in the 11th CoC meeting held on 15.02.2024 passed the resolution with 98.07% votes for the extension of CIRP period for 90 days beyond 360 days. Furthermore, in the same CoC meeting the members of CoC approved the resolution with 53.06% voting share for the exclusion of CIRP period from 27.05.2023 till 23.02.2024. As a result of this, erstwhile RP filed an I.A 1065 of 2024 seeking an extension of CIRP period by 90 days and exclusion of the above mentioned CIRP period the Adjudicating Authority, vide order dated 07.03.2024 allowed the application and excluded as well as extended the CIRP period accordingly
- v.** The members of CoC in the 22nd CoC meeting held on 16.01.2025 approved the resolution with 98% votes for the extension of CIRP period for 90 days beyond 449 days. As a result of this, erstwhile RP filed an I.A. No. 678 of 2025 which was allowed vide order dated 21.02.2025 and CIRP period for 60 days was extended.
- vi.** The members of the CoC, in the 26th CoC meeting held on 04.04.2025, approved, with 100% voting share, the resolution for extension of the CIRP period by 90 days. Pursuant thereto, the erstwhile RP filed I.A. No. 1788 of 2025 seeking such extension which was allowed vide order dated 21.04.2025.
- vii.** The NCLT vide an order dated 4.06.2025, replaced the erstwhile RP Mr. Anil Goel and appointed Mr. Ashok Arora as the RP of Corporate Debtor. Furthermore, by the same order, the Hon'ble NCLT directed the Applicant to file a compliance report, upon receipt of all documents and records from the



erstwhile RP, within seven days, confirming the completion of handover and the status of the CIRP.

- viii.** The Applicant filed I.A. No. 3223/ND/2025 for placing on record the Compliance Report in pursuance of the order dated 4.06.2025 which was duly taken on record by the NCLT vide its order dated 9.07.2025.
- ix.** The present RP placed proposal for seeking extension of the CIRP period vide email dated 28.08.2025 to all members of the CoC who conveyed their approval through email dated 29.08.2025, thereby resolving to seek extension of CIRP by a further period of 90 days. Pursuant thereto, the present RP filed I.A. No. 4718 of 2025 seeking such extension which was allowed vide order dated 26.09.2025.
- x.** Upon his appointment as the RP, Mr. Ashok Arora and his team have been continuously making efforts to obtain the necessary information with respect to the location of the assets, the ownership details and the details of workmen and employees etc., which are essential for preparation of information memorandum and effective resolution of the Corporate Debtor.



xi. A brief tabular chart indicating the details of such extensions is provided hereinbelow:

I.A. NO.	ORDER DATE	EXTENSION GRANTED/ EXCLUSION GRANTED	CIRP END DATE
I.A. No. 3167 of 2023	13/7/2023	90 days And exclusion of CIRP period from 24/2/2023 till 26/5/2023	27/8/2023 (period extended for 90 days from 29/5/2023)
I.A. No. 6569/2023	19/12/2023	extension of 90 days beyond 270 days.	25/02/2024
I.A. 1065 of 2024	7/3/2024	90 days And exclusion of CIRP period from 27/5/2023 till 23/2/2024	24/5/2024(period extended for 90 days from 24/2/2024)
I.A. No. 678 of 2025	21/2/2025	60 days	20/04/2025
I.A. No. 1788 of 2025	21/4/2025	90 days	22/7/2025
I.A. No. 4718 of 2025	26/9/2025	90 days	25/12/2025

xii. The extended CIRP period was set to expire on 25.12.2025. It is submitted that the NCLT, vide order dated 04.06.2025 in CP (IB) No. 559/ND/2021, observed that the due to the lapses and inaction of the erstwhile RP, several critical tasks under the CIRP remained incomplete. The NCLT itself has



observed such shortcomings in its order. Consequently, it has become necessary to seek an extension of the CIRP period to enable the present RP to complete the pending work in a time-bound manner. Furthermore, neither the suspended director nor the Promoters of the Corporate Debtor have extended any cooperation with the present RP in handing over all the requisite information pertaining to the Corporate Debtor.

- xiii.** The current status of the CIRP was duly communicated by the Applicant to the members of CoC via an email dated 10.12.2025 and the members were of the opinion that an extension of CIRP period is necessary for the effective progress of the CIRP. The CoC members were also of the opinion that liquidation is not an option and every attempt should be made to revive the corporate debtor as the schools are in fact operational and generating revenue and efforts are being made by the RP to bring it under the control of the CIRP.
- xiv.** The members of CoC vide their email dated 10.12.2025 conveyed their approval for the extension CIRP period by 90 days, with a voting share of 100% in favor of proposal.
- xv.** Since the appointment of Applicant, Applicant has diligently undertaken several steps in furtherance of the CIRP, including the following:
 - a.** The Applicant has duly renewed the trademark of the Corporate Debtor in accordance with the approval granted by the CoC on 22.07.2025. It is submitted that the said trademark, being the only enforceable asset of the Corporate Debtor, had expired on 07.02.2025, and the Applicant has duly renewed the same on 3.08.2025.
 - b.** The Applicant conducted site visits to school premises located across Delhi NCR such as Gurgaon, NOIDA, Delhi and Ghaziabad in order to verify the existence and status of the assets of the



Corporate Debtor and to assess the current operational condition of the schools.

- c.** The Applicant pursuant to the order dated 25.09.2025 passed by this Hon'ble Bench in IA 1791/2025, whereby the application seeking control and custody of the Corporate Debtor's website from the promoters and suspended directors was allowed, along with his team, undertook visits to their respective premises. On 9.10.2025, the Applicant visited the residential address of suspended director Mr. Praveen Kumar at D-186, Block Mangol Puri, New Delhi-110083, where it was found that he had already vacated the premises. Subsequently, on 10 October 2025, the Applicant visited the residence of the other suspended director, Mr. Ganesh Chandra, at N-608, Sewa Nagar, Lodhi Road, New Delhi 110003, which was found to have been demolished. Further, on 28 October 2025, the Applicant, accompanied by two constables, visited the promoters' premises at 1, Link Road, Pocket-1, Samalkha, New Delhi -110037 to take control and custody of the Corporate Debtor's website. However, the Applicant's team was denied entry on the ground that none of the promoters were available. During the visit, the team came to know that suspended director Mr. Ganesh Chandra was employed as the security manager at the promoters' premises. When contacted telephonically, Mr. Chandra admitted to being a director of the Corporate Debtor but refused to disclose his current address or the contact details of the promoters.
- d.** The Applicant visited the office of the Insolvency and Bankruptcy Board of India ("IBBI"), where the Applicant presented the status of the ongoing CIRP and the hindrances being faced. The concerned



officer of the IBBI assured the Applicant that upon the passing of an order against the Promoters and suspended board of Directors in the Contempt Petition or under Sections 66, 68 or 70 of the IBC, the IBBI would forward the complaint to the Special Court in terms of Section 236 of the IB Code which provides that cognizance of offences under the Code can be taken only by a Special Court established under Section 435 of the Companies Act, 2013.

- e.** After finding that none of the absconding suspended directors and promoters were accessible for handing over the control and custody of the Corporate Debtor's website, the Applicant was constrained to explore alternative measures to secure the same. Accordingly, the Applicant filed the following applications:
 - i.** I.A. No. 5785/ND/2025-An Application seeking appropriate directions for appointment of a qualified technical expert/digital forensic personnel for forceful restoration, control, and custody of the official websites, statutory digital portals and records, social media platforms, and other digital assets of the Corporate Debtor. This IA was allowed in the hearing dated 4.12.2025, subject to prior approval of the CoC.
 - ii.** I.A. No. 5720/ND/2025-An Application seeking control and custody of the official website of the Corporate Debtor from its service providers and domain registrars, along with consequential reliefs. This IA was allowed in the hearing dated 4.12.2025
 - iii.** Contempt Petition No. 52/2025 A Petition filed alleging willful disobedience of the order dated 25.09.2025 passed in



IA 1791/2025. In this Petition, this Hon'ble Bench was pleased to issue notice to all the Respondents.

- f.** The Applicant filed a police complaint (IT cell) regarding the unauthorized access to the websites of the Corporate Debtor on the National Cyber Crime Reporting Portal. In furtherance thereof, the Applicant mentioned in the complaint regarding the unauthorized access, the suspected involvement of the suspended management, and the urgency of securing the digital assets of the Corporate Debtor. Further, the Applicant also requested to take appropriate action in accordance with law.
- g.** The Applicant made repeated efforts to obtain complete information regarding the ongoing litigation of the Corporate Debtor before the Hon'ble Tis Hazari Court, Delhi. The erstwhile RP admitted that only a list of cases had been provided by one Mr. Vishnu Bhagwan, representative of management and no further documents were made available by him. Despite several reminders issued by the Applicant to Mr. Vishnu Bhagwan, the specific records and copies of applications and replies filed before the Hon'ble Court have not been furnished till date.
- h.** The Applicant, in addition to the aforesaid steps, personally approached the CBSE, Head Quarters at Dwarka, New Delhi to report and lodge complaint against the unauthorized use of trade mark in the schools under the direct and indirect control of the management of the promoters. Pursuant to the said visit, an acknowledgment of complaint was issued by the CBSE authorities.
- i.** The Applicant is pursuing litigations against the Corporate Debtor and its promoters and directors in multiple forums and also made



every possible effort to trace them and obtain the custody and control of the website from them in terms of the order dated 25th September 2025. However, the promoters and the directors are absconding and evading the due process of law. The Applicant has further filed contempt petitions (Contempt Petition 52/2025) against the promoters, directors and professional IT service provider to willful non-compliance of the order dated 25th September 2025.

- xvi.** The Applicant herein is making all possible efforts to gain the custody and control of the websites of the Corporate Debtor and other assets, however, given the web of trusts, societies and corporate entities created by the erstwhile directors and promoters, the process is time taking and therefore the Applicant seeks extension of the CIRP period.
- xvii.** It is submitted that the Applicant, in discharge of duties as Resolution Professional, made efforts to inspect and verify the assets of the Corporate Debtor. However, due to the fact that multiple proceedings are pending against the promoters of the Corporate Debtor, there has been deliberate concealment of assets by the Promoters and suspended Directors. Despite the Applicant's attempt to carry out physical inspection, in many schools the security personnel at the site denied access and did not permit the inspection and management of school staff refused to provide the required information as to fee structure, number of students, name of owners of premises and details of bank account where fee is being collected.
- xviii.** It is submitted that an extension of the CIRP period is indispensable for the effective completion of the process. In the absence of such extension, the CIRP will mandatorily conclude and the Corporate Debtor would be pushed into liquidation. Such an outcome would cause irreparable prejudice to the creditors, as the Corporate Debtor does not possess any substantial tangible



assets, apart from its trademark, the realization of which would not even yield 1% of the outstanding dues of the Financial Creditors.

- xix.** It is further requested that permitting liquidation at this stage would effectively allow the Promoters and suspended Directors who are alleged to have engaged in fraudulent conduct and misappropriation of the Corporate Debtor's assets to escape scrutiny and move freely without any accountability.
- xx.** The liquidation of the Corporate Debtor at this stage would act a reward to the defaulting promoters and directors of the Corporate Debtor, who have indulged in blatant fraud against the stakeholders at large, including the students, parents and the lenders. The extension of the CIRP is therefore crucial to ensure recovery of the Corporate Debtor's digital and physical assets, tracing of transactions, protection of stakeholder interests and for the effective resolution of the Corporate Debtor in accordance with the objectives of the IB Code.
- xxi.** There are no financial records of the Corporate Debtor after March 2019 makes it extremely difficult to trace assets, establish relationship with the franchisees as considerable time has been lost prior and during the CIRP. The delay in transition was entirely beyond the control of the Applicant and the CoC, and as such, valuable time was lost in the process. Furthermore, the Promoters and suspended Directors are absconding and remain completely inaccessible despite repeated attempts. The last available financial statements of the Corporate Debtor are only up to FY 2018-19, and no updated information, books of accounts, or records have been made available thereafter. The Promoters have deliberately structured the operations in such a manner that no tangible assets stand in the name of the Corporate Debtor, and although various schools continue to operate under its brand, no revenue flows into the Corporate Debtor's accounts.



xxii. It is submitted that one of the only viable courses left for the Applicant is to seek initiation of criminal proceedings by the IBBI before the Special Court for the violations committed by the suspended Promoters and Directors under Sections 68 and 70 of IB Code, as well as for their willful disobedience amounting to contempt. The Applicant has already visited the office of the IBBI, where the concerned officer assured that upon the passing of appropriate orders in the pending proceedings, the IBBI would file the requisite complaint before the Special Court. Consequently, the Applicant filed the following:

(i) IA 6571/2023 seeking a declaration that the suspended Directors have violated Sections 68 and 70 of the IBC;

(ii) Contempt Petition No. 15/2024 filed against the suspended Directors for non-compliance of the order dated 28th February 2024 passed in L.A No. 1360/2023,

(iii) Contempt Petition No. 52/2025 filed against the Promoters and Directors for non-compliance of the order dated 25th September 2025 passed in I.A 1791/2025.

xxiii. The promoters of the Corporate Debtor continue to indirectly control and influence the operations of the schools, remain actively involved in various school functions and events, portray themselves as the brand ambassadors of the institution on social media, and have been consistently flouting the orders of this Bench. Their conduct has caused continuous obstruction to the CIRP since its very inception.

xxiv. In the present circumstances, it has become imperative that appropriate criminal proceedings be initiated against the promoters and suspended directors to restrain their unauthorized control over the schools operating under the brand name of the Corporate Debtor, and to ensure that the true



status of the ongoing CIRP is transparently communicated to students and parents. It is submitted that the process is inherently time-consuming; however, the Applicant is making every possible effort to address the situation and ensure strict compliance with the directions of this Hon'ble Bench.

xxv. Hence, the extension sought is bona fide and necessary for completing the resolution process in the interest of all stakeholders. Therefore, an extension of 90 days is sought from 25.12.2025 until 24.03.2026 in the interest of justice and to achieve the objective of the Code.

3. ANALYSIS AND FINDINGS:

- i.** We have heard the submissions made by the Applicant/Resolution Professional and perused the material available on record, including the reports, affidavits, and prior orders passed in the present proceedings.
- ii.** The present Application has been filed under Section 12(2) of the Insolvency and Bankruptcy Code, 2016 seeking extension of the CIRP period by a further 90 days beyond the already extended timeline.
- iii.** At the outset, it is an admitted and undisputed position that the CIRP, which commenced on 29.11.2022, has already exceeded the maximum period of 330 days prescribed under Section 12 of the Code, inclusive of all extensions and time spent in legal proceedings. The Hon'ble Supreme Court in ***Committee of Creditors of Essar Steel India Limited v. Satish Kumar Gupta*** has held that such timelines cannot be extended in a routine manner save in rare and exceptional cases where only a short period is required to complete a substantially concluded process.
- iv.** In the present case, however, the CIRP is nowhere near completion. Despite the passage of considerable time and multiple extensions granted by this Adjudicating Authority, no Resolution Plan has been received or placed on record. There is also no material to suggest that any prospective resolution



applicant is in contemplation or that a viable resolution is likely within any foreseeable timeframe.

- v.** More significantly, the record reveals that the CIRP itself has been marred by serious procedural irregularities and substantive deficiencies from an early stage. This Adjudicating Authority had appointed a Court Commissioner in CP IB 21 ND 2022. The CIRP in CP (IB) No. 559/ND/2021 and CP (IB) No. 638/ND/2021 is connected to the proceedings in CP (IB) No. 21/ND/2022, involving the same group and overlapping factual matrix. The Report dated 28.05.2024 has highlighted material discrepancies in the conduct of the CIRP, particularly in relation to the functioning of the then Resolution Professional, Mr. Anil Goel. The said report points towards lapses which go to the root of the process and raise concerns as to whether the CIRP was being conducted in accordance with the mandate of the Code.
- vi.** It is of particular concern that the discrepancies and non-compliances highlighted in the Court Commissioner's Report have not been satisfactorily addressed on behalf of the erstwhile Resolution Professional. Equally, the Committee of Creditors, which is entrusted with a supervisory role in the CIRP, has failed to meaningfully address the concerns noted in the said report. The silence and inaction on the part of the CoC in the face of such material observations cannot be overlooked.
- vii.** This Adjudicating Authority had, in fact, taken cognizance of these lapses and, vide a detailed order dated 04.06.2025, in the present matter also recorded its concerns regarding the conduct of the erstwhile Resolution Professional and proceeded to replace him with the present Resolution Professional, Mr. Ashok Arora. The necessity of such replacement itself indicates that the CIRP had suffered from serious infirmities affecting its integrity.



- viii.** Notwithstanding the above corrective step, the CIRP has failed to regain its footing. The present Resolution Professional has candidly submitted that he has been unable to obtain basic financial records, books of account, or even secure effective control over the assets and operations of the Corporate Debtor. The promoters and suspended management have remained persistently non-cooperative, untraceable, and evasive, thereby frustrating the very conduct of the CIRP.
- ix.** From the material placed on record, it further appears that the Corporate Debtor does not have any clearly identifiable or realizable assets in its own name. The business operations under its brand, particularly the running of educational institutions, are stated to be continuing through a complex network of third-party entities, trusts, and franchise arrangements, with no corresponding revenue streams being routed through the accounts of the Corporate Debtor. This creates a situation where the Corporate Debtor exists in form but not in substance, rendering the financial position opaque and incapable of reliable determination.
- x.** The CIRP has thus, in effect, been reduced to a prolonged and uncertain exercise involving tracing of assets, attempts to regain digital and operational control, and initiation of collateral or penal proceedings against the promoters and related persons. While such steps may be necessary in appropriate circumstances, they cannot substitute the primary objective of the Code, which is resolution of insolvency in a time-bound manner on the basis of credible financial information and a viable business structure.
- xi.** In the totality of the circumstances, this Adjudicating Authority is constrained to observe that the CIRP suffers not merely from delay, but from foundational infirmities that go to the root of its legitimacy and workability. The discrepancies highlighted in the Court Commissioner's Report, the failure of



the erstwhile Resolution Professional and the CoC to address the same, the absence of financial records, the inability to establish control over the Corporate Debtor, negligible progress in the CIRP despite multiple extensions, collectively raise serious concerns regarding the integrity of the process.

- xii.** The facts of the present case also warrant consideration in light of Section 65 of the Code, which is intended to deter and address fraudulent or malicious initiation of insolvency proceedings for purposes other than resolution. While this Adjudicating Authority does not propose to return a definitive finding of fraud in the absence of a dedicated adjudicatory exercise, the surrounding circumstances, particularly the opaque structuring of operations outside the Corporate Debtor, the absence of financial traceability, and the material discrepancies noted in the Court Commissioner's Report, prima facie indicate that the insolvency process may not have been conducted in a manner consistent with the bona fide objectives of the Code. This Adjudicating Authority cannot permit the insolvency framework to be used, directly or indirectly, as a shield for opaque or potentially improper conduct.
- xiii.** As per Section 33 of the Code when the CIRP period has expired and no resolution plan has been approved, the Corporate Debtor, would be liable to be liquidated. It is equally important to consider that directing liquidation in the present case would not remedy the situation. In the absence of any tangible assets in the name of the Corporate Debtor, liquidation would yield negligible, if any, value for the creditors. On the contrary, such a course would effectively operate to the advantage of the defaulting promoters and persons in control, who appear to be continuing operations outside the formal structure of the Corporate Debtor and may thereby remain insulated from meaningful recovery or scrutiny within the liquidation framework.



xiv. In these peculiar facts and circumstances, continuation of the CIRP would amount to perpetuating a process that is fundamentally flawed, incapable of resolution, and contrary to the legislative intent of the Code. No sufficient cause has been made out to justify further extension of time.

xv. The facts of the present case reveal circumstances which cannot be viewed as a mere failure of resolution or a routine commercial default. Rather, the material on record discloses a CIRP which continued for an inordinate period despite the absence of any realistic possibility of resolution, absence of identifiable assets, absence of financial transparency, and repeated procedural irregularities affecting the sanctity of the process itself.

xvi. Considering the prolonged continuation of a CIRP devoid of any realistic prospect of resolution, the serious irregularities noted in the Court Commissioner's Report, and the failure of the stakeholders to take corrective measures, This Adjudicating Authority, in exercise of its inherent powers under Rule 11 of the NCLT Rules, 2016, read with the principles underlying Section 65 of the Code **recalls** the admission order dated 29.11.2022 passed in CP (IB) 559 (ND) of 2021, in order to secure the ends of justice and to prevent abuse of the insolvency process.

xvii. In view thereof, the order of admission dated 29.11.2022 and the CIRP initiated thereof in relation to the Corporate Debtor, **Presidium Educational Institution Pvt. Ltd.** is **cancelled** and **terminated**. The moratorium as declared under Section 14 of IBC, 2016 also stands withdrawn. The appointment of the Resolution Professional and all the actions taken by the Resolution Professional consequent to his appointment are brought to nullity. The Resolution Professional is directed to hand over the management of the affairs of the Corporate Debtor to the Ex-management/suspended board of Directors of the Corporate Debtor.